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HOUSE OF COMMONS

Thursday, November 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 two petitions.

* * *

[*English*]

COMMITTEES OF THE HOUSE

GOVERNMENT OPERATIONS

Mr. Paul Zed (Fundy—Royal, Lib.): Madam Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Government Operations.

Pursuant to an order of the House dated Wednesday, November 8, 1995, the committee studied Bill C–101, an act to amend the National Housing Act, and has agreed to report it without amendment.

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 101st report of the Standing Committee on Procedure and House Affairs regarding associate membership on the Standing Committee on Agriculture and Agri–Food.

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

• (1005)

FOREIGN AID RESTRICTION ACT

Mr. Art Hanger (Calgary Northeast, Ref.) moved for leave to introduce Bill C–357, an act respecting restriction on foreign aid.

He said: Mr. Speaker, this bill is designed to stop the flow of financial or other aid to any foreign country that refuses to accept re–entry of its nationals or former nationals deported from Canada.

Far too often when foreign born criminals are ordered deported from Canada, deportation is hampered because some countries do not want to take back their nationals. The foreign aid restriction act addresses this issue by freezing aid to countries that frustrate the Canadian deportation process.

The bill is a strong measure to ensure effective deportation policy in Canada. If a country will not take back its citizens who have committed criminal acts in Canada or who have misrepresented their past involvement in organized criminal activity, terrorism or other activities as noted under section 19 of the Immigration Act of Canada and are ordered deported, the bill would then direct the Department of Foreign Affairs to suspend all foreign aid to that country.

(Motions deemed adopted, bill read the first time and printed.)

* * *

COMMEMORATION OF THE BIRTHPLACE OF CONFEDERATION ACT

On the Order: Private Members' Business:

Second reading and reference to the Standing Committee on Canadian Heritage of Bill C–292, an act to commemorate the birthplace of Confederation—Member for Hillsborough.

Mr. George Proud (Hillsborough, Lib.): Madam Speaker, it is with great regret and lack of support by my Liberal colleagues that I ask you to seek unanimous consent so that I withdraw my private members' bill, Bill C–292, an act to commemorate the birthplace of Confederation.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House?

Some hon. members: Agreed.

(Order discharged and bill withdrawn.)

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, with leave of the House I move, seconded by the hon. member for Mississauga South, that the 101st report of the Standing Committee on Procedure and House Affairs tabled in the House today be concurred in.

(Motion agreed to.)

* * *

[*English*]

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating across Canada. This petition has been signed by a number of Canadians from Estevan, Saskatchewan.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

BELL CANADA

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Madam Speaker, I am pleased to present a petition on behalf of over 500 Bell pensioners.

These pensioners believe that Bell Canada, which was responsible for the choice of Confederation Life as an administrator of its group RRSP funds and which encouraged its employees to participate in it, has an obligation to ensure that its employees do not suffer economically from their pensions being placed at risk due to the collapse of Confederation Life.

They ask that Parliament initiate an investigation.

"ON TO OTTAWA" TREK

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Madam Speaker, it is an honour today to present a petition concerning the "On to Ottawa" trek.

These petitions are historically important in that they bear the signatures of some of the original 1935 "On to Ottawa" trekkers, including Mr. Robert Savage, the last living member of the delegation of eight to meet with the then Prime Minister R. B. Bennett.

• (1010)

Sixty years ago Prime Minister Bennett ordered the arrest of the "On to Ottawa" trek leaders at a public meeting, hence provoking the Regina riot. The trekkers, citizens of Regina who witnessed the riot, family members and other Canadians draw the attention of the House to the "On to Ottawa" trek and its abrupt end in Regina on Dominion Day 1935, and the then federal government's role in the police riot in Regina.

These petitioners call on Parliament to extend to the 1935 trekkers, the Regina citizens and their families its unequivocal and official apology for its part in provoking the police riot.

* * *

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*]

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT ACT

The House resumed from November 21 consideration of the motion that Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts, be read the second time and referred to a committee.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Madam Speaker, I am pleased to have the opportunity today to speak on Bill C–96.

The bill has a single and fairly simple purpose, integration. The government is setting out a solid legislative process for integrating Canada's social and labour market programs. With these changes, the Department of Human Resources Development brings under one roof all of our efforts to help Canadians achieve their full potential in society and in our economy.

Within this single department are all the programs and services that help people looking for work find and keep jobs, help employers find workers they need, help workers and employers under federal jurisdiction to maintain fair labour standards and a safe working environment, help people between jobs, Canadian seniors, families with low incomes and people with disabilities to get the income support they need.

It will help people get training and develop new skills for a changing economy. As well, it will help local businesses, communities and entire industries to target the skills for the future and build a skilled workforce that will help Canada be competitive and prosperous in a changing world.

By bringing all of these different programs into one department, we have taken an important first step toward ensuring programs work together, providing meaningful, co–ordinated solutions for the real world.

By taking this step the government has helped set the stage for real integration in the way programs and services are delivered to Canadians. Let us face it, when people come looking for service, they could care less which program branch delivers that service. The last thing they need is to be sent running around from one office to another.

One of the most fundamental goals of the government's approach is to ensure that integration takes place at the local level. To do so we must focus on locating the decision making and design of services at the local level. Instead of highly centralized decision making, we need to allow a much greater degree of discretion and judgment in the field.

Having been in the field of psychiatry and mental health for 30 years, I know what it means to tailor programs to individuals; it is very important and this bill accomplishes that.

Over the last two years I have developed a close working relationship with the Canada Employment Centre in my riding of Annapolis Valley—Hants. I have had many opportunities to meet with the employees, listen to their ideas and watch these professionals do their jobs. I am convinced more than ever that decision making power must rest with the local level.

Decisions about what kinds of programs make sense in a community should be made by the community, in partnership with local businesses, trade unions, community and municipal organizations. If it is going to work we have to completely rethink the way we define programs and services.

• (1015)

As my hon. colleague from Burin—St. George's stated, we cannot say to communities across Canada: "Here is a program and here are all the rules you have to follow. Do it our way or not at all". He also went on to say that individuals need programs and even though it is not what they need, this is the only program we have money for so take it or leave it.

Instead, we want to say to communities and individuals: "Here are some basic tools that we know have worked. Here is the money and the available resources. Now you the client decide which tools make sense and how you can use these resources most effectively". Just do what needs to be done. That is the motto of this bill.

That is what integration means, bringing it down to the local level. That is what we are trying to do with Bill C–96. The government is also bringing this approach to the largest single social program in Canada, unemployment insurance.

For years now, we have had two separate tracks going for people who are unemployed. On the one hand there is the UI system, an absolutely vital program providing temporary income support for people between jobs. On the other hand we have developed an increasingly sophisticated and effective set of employment programs, a set of tools to help people develop new skills, gain work experience and in the end find jobs.

Our challenge in this bill is to integrate these two components, to build a single integrated employment service that people can turn to, not just for a cheque but for help to get back into the workforce. This means finding a way to combine that essential system of income protection provided by UI with an active system of employment, a system that gives people the resources and the opportunity to make choices about the kind of skills that are required, the kind of future they want to build for themselves.

For example, we are experimenting with a form of internship with small businesses. There are companies that desperately want to hire new workers but cannot afford to provide the training new workers require. With this program we help them hire young people, older workers and women returning to the workforce. We provide some support to pay for the learning curve, the time it obviously takes for new workers to become fully productive in their new jobs. The experiment is getting good results. Small businesses are creating jobs for unemployed Canadians, real permanent jobs.

Over the past year we have developed a program for self–employment under unemployment insurance. We want to give people a choice. Rather than simply collecting benefits while they look for a new job, we want to give people the opportunity to create their own jobs. The department provides some financial support, monitoring and counselling to help participants get their businesses started.

Over the past year 30,000 people have started their own businesses this way through the unemployment insurance system. They have not created just 30,000 jobs but rather 60,000

jobs. That is the kind of positive initiative that can happen when we think in terms of integration.

Another example of integration can be seen in our government's strategic initiatives program. This program is important since it provides the government with the unique opportunity to experiment with program design that will support future policy development.

In September 1994 the government in partnership with the Government of Nova Scotia announced the launching of such a program. Success Nova Scotia 2000 will assist 3,000 young Nova Scotians to gain valuable work experience in leading industries using internships as an important part of their learning culture.

• (1020)

It is part of our commitment to find better ways for young people to secure jobs. By bringing together a full range of Canada's social and labour market programs, we are setting a new course and making a positive difference in Canada.

Bill C–96 provides a strong basis for this new direction. It ensures the structure that is in place for the federal government continues bringing programs and services together while working with our partners in the provinces and the communities across the country.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, ever since the Bloc Quebecois arrived in the House of Commons, Ottawa has treated us to power plays of every description. First, it created the Department of Canadian Heritage. In so doing, Ottawa denied the existence of the Quebec people and the government gave itself a mandate to defend and promote Canadian culture and Canadian identity.

Then came power play number two: the Department of Health. With this decision, the government expanded and consolidated its control over an exclusively provincial jurisdiction.

And now for Ottawa power play number three. This time, it is about human resources. I am referring to the bill before the House today, the act to establish the Department of Human Resources Development and to amend and repeal certain related acts. With this bill, the department blatantly ignores the existing consensus in Quebec on manpower training and directly intrudes in this provincial jurisdiction.

A fourth power play is now looming, and I am referring to reforms in programs connected with income security for seniors. Of course for the past two years, every time he had to field a question in the House, we saw the Minister of Human Resources Development rise indignantly and play the same tape over and over again: "The document is wrong, you misread, and you do not understand".

However, there is every indication that Ottawa will use this reform to save money, again at the expense of the seniors, and the minister responsible seems to be the only one in this House who is misinformed.

In the February budget that was supposed to reshape Canada, using a Tory recipe with a Liberal label, the Minister of Finance announced a reform of programs relating to income security for seniors. This reform was to take effect in 1997. According to the Minister of Finance, it will be based on the following five principles: first, undiminished protection for all seniors who are less well off, which means there will be no increase in benefits, but payments to the less well off will be maintained at present levels.

Second, a continuation of full indexation of pensions. Third, eligibility for OAS benefits will be based on family income. People should realize that this will significantly change the present system. In fact, OAS has always been universal, but after the Chrétien government's reform, the amount of the OAS cheque will depend on family income.

Fourth, benefit levels will be reduced as income levels rise. Ottawa's so–called positive approach carefully conceals its plans to lower the ceiling for the clawback.

Fifth, control of program costs. In other words, administration of the OAS system will have to cost less.

This sketchy outline of Ottawa's intentions received a stinging response from Ms. Blackburn, Quebec's income security minister. In a press release dated March 2, the minister commented that the federal government was launching another attack on the incomes of seniors and that the reform announced in the Martin budget would permanently destroy the balance of the current OAS system.

The minister also pointed out that the decision to provide OAS benefits on the basis of family income would mean that more seniors, mainly women, would have to turn over their benefits to the federal government. The minister went on to say that women had won recognition of their independent status in society, but now, because of budgetary cutbacks, once they were retired their status would depend on that of their spouse and their family income and that, considering the measures proposed by Mr. Axworthy and Mr. Martin, one wondered if women's rights meant anything at all to the federal government.

• (1025)

The minister's final conclusion is that such a change in calculating old age pensions makes them no longer a foundation for financial security in retirement but a social assistance program.

Seniors will be entitled to an old age pension if their income places them in the category of persons with modest means. We

must therefore acknowledge that the federal government did not have the courage before the referendum to clearly and precisely inform Quebecers of what was really in store for them in connection with old age pensions, because it knew what an impact that knowledge could have had on the final outcome of the vote.

Jean–Robert Sansfaçon, an editorial writer for *Le Devoir,* saw the announcements of old age pension cuts by the Minister of Finance in more or less the same light as Mrs. Blackburn. In his editorial last February 28 he wrote as follows: "If Ottawa goes ahead with this, it will mean an end to universal old age pensions, which might end up being reserved only for households with modest incomes. This is a really new concept, one more closely related to social assistance than to a pension plan, and would encourage everyone to save money during their working years".

In another editorial on March 4 he wrote: "Although this was not in the least what was expected of it, the present Liberal government is preparing to axe the plan. As early as 1997, we will see the end of basic benefits for everyone regardless of income. The amount received will no longer be the same for everyone but will be calculated according to total household income. Instead of being the base of the retirement income pyramid as it was in the past, the old age pension will become a kind of welfare payment. This is more than a reform, it is more like a revolution".

Before the House adjourned for the scheduled parliamentary recess, my colleague for Mercier got hold of a document called *Serving Canada's Seniors.*

This document confirms the government's intentions of changing the old age pension into a plan reserved for only the poorest in our society. Page 5 of this document states: "The old age pension system, the guaranteed income supplement, the spouse's allowance and the senior citizens' tax credit will be combined into a single new program requiring an income test".

In short, all programs will be rolled into one, and pensions will be paid to seniors according to family income.

After she obtained this document, the member for Mercier asked the Minister of Human Resources Development how he could reconcile what was revealed in this document with the Prime Minister's statement that the best way to protect our social benefits was to vote no. With his now legendary arrogance, the minister replied that the document in question was a mere invention by the Bloc Quebecois.

I would like to inform the people of Canada and of Quebec officially that no one within the Bloc has time to waste in writing such a document. And let me particularly point out that, if it were really a document from the Bloc, it would have been available in both of this country's official languages, and not just English.

If the minister sincerely believes that the Bloc authored this document, I must reach the conclusion that, on the one hand, he does not know what is going on in his own department, and on the other hand, it may be one of two things. Either he has not read the budget of his finance colleague, or he read it without understanding it, for the document *Serving Canada's Seniors* contains the income security program reform promised in the Minister of Finance's budget last February. I would add that I am amazed that the Minister of Human Resources Development would point the finger at our party, when it is the Bloc that has been trying to cast some light on the coming changes to the various programs relating to income security for Canada's and Quebec's seniors.

I would like to conclude with an invitation to the Minister of Human Resources Development to re–examine his old age pension strategy. To pay off the deficit at the expense of seniors, especially women, is an unacceptable decision. When there is a budget in excess of $160 billion, one is entitled to think that all of our social benefits could be preserved, including old age pensions. The government must have the courage to make decisions that will enable all citizens to do their part to improve the collective well–being, and not make the least well off among us pay the price on their own.

• (1030)

[*English*]

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Madam Speaker, thank you for this opportunity to speak on Bill C–96, which seeks to establish the legislative framework for the Department of Human Resources Development.

I have been amused throughout the course of the debate on this issue by the comments of some opposition members, which suggest either a misreading of the bill or an overactive imagination. For instance, some members of the official opposition claim to detect a sinister plot by the government to usurp areas of provincial responsibility. Indeed, some have even gone so far as to suggest that we might seek to sabotage existing educational, training, and manpower programs in the province of Quebec. This rather odd scenario was perhaps best articulated by one Bloc member who suggested that this legislation might be part of some hidden agenda by the government to demolish all the educational tools Quebec has developed.

Members of the third party seem equally confused. Many Reform members have expressed disappointment that the bill will not usher in the millennium and solve all the country's problems in one fell swoop. This would be a miracle were it to occur, since the bill from its inception was designed simply to take care of some legislative and administrative issues.

It is difficult to determine whether such opposition concerns are real or simply represent mere political gamesmanship. However, it seems only fair to give these members the benefit of the doubt.

I would like to take a few moments to address some of the misconceptions clearly plaguing some opposition members and explain why passage of the bill is so important for assuring further progress in providing even higher levels of service to Canadians.

Let me state what this bill is not designed to do. It is not, as some opposition members have suggested, a power grab or an attempt to raid areas of provincial jurisdiction. This should be clear from even the most cursory reading of this bill, which makes no significant changes to the statutory elements of the founding departments that are being brought together under this legislation.

Equally important is the fact that this bill does not change the powers of the federal government or the provinces. Nor does it seek to grant new powers to the federal government, as some have tried to suggest. The department's mandate is clearly limited to just those matters over which Parliament has jurisdiction. Nor will there be any new powers granted by clause 20, which empowers the minister to sign contracts with agencies and institutions other than the provinces. This authority already exists and therefore represents no change whatsoever.

If such concerns are unfounded, what does this bill really seek to do? Simply put, it seeks to recognize in a legislative, unified way the restructuring already under way, which is bringing together under one umbrella organization portions of the former departments of employment and immigration, health and welfare, secretary of state, and all of labour.

This consolidation is critical, since it will allow us to take a more holistic approach to the social, economic and training issues that have traditionally been addressed by these departments. It will allow us to provide better service at lower cost and develop the flexible, imaginative, and highly targeted approaches needed to adequately address the challenges facing Canadians now and in the future.

Of course this process of renewal has been under way for some time. I am pleased to say that this new department has had a number of successes in developing new approaches so Canadians can better cope with an increasingly demanding labour market.

As gratifying as this is, more remains to be done. That is why the changes contained in the bill are so important. To begin with, it will help us build on these initial successes by clarifying the role of the department and the responsibilities of the minister to both Parliament and Canadians generally. It will simplify the current complex trail of statutory powers, many of them going back to the original pieces of legislation that set up the founding departments, by providing one act that sets out the mandate and powers of the department. Such a change will clarify the identity of the department by laying out for both employees and clients the department's goals and the resources it will have to achieve them.

• (1035)

As well, the legislation will give people and organizations working with the department a clear idea of just who it is they are working with. As incredible as it may seem, many departmental officials still use old letterhead bearing the names of their former departments for legal and contracting purposes. This is confusing for partners, since in their minds those old departments no longer exist.

Of course these are not the only administrative problems to be addressed. For instance, without the proper enabling legislation simple tasks such as transferring personnel can be costly and time consuming. This is also the case with large and detailed contracts, which often involve a number of former departments.

Most important of all is the need to bring the current transitional phase of restructuring to a close and then move forward. We need to build on our recent successes and undertake exciting new initiatives aimed at investing in our most important asset, people. To do this we need to clear away administrative obstacles so we can further undertake new initiatives such as UI reform, develop new programs and services under the human resource investment fund, and improve programs for our most vulnerable citizens, including seniors and the disabled.

Finally, this legislation will improve service to Canadians while at the same time ensuring taxpayers' dollars are spent in the most cost effective manner possible.

The bill before us will allow us to achieve all these goals. It will create the architecture required to implement the reforms needed to support Canadians with the job training opportunities they need to enter the next century with confidence. I would encourage members to support Bill C–96.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts, is basically just reorganization of the department and does not offer any substantive changes.

It amazes me that with the number of people who are currently dependent on HRD for their welfare, some legitimately and some not, with the country in economic doldrums, with the debt increasing, with the IMF recently downgrading our country's rating by 50 per cent six weeks ago, the government persists in serving up bills that nibble around the edges of these problems, which affect us all.

Here is another opportunity lost. Never at any other time in recent history has this country required strong leadership in so many different areas. HRD is no different. HRD affects the lives of those who are in the lowest socioeconomic situations within our country.

We sympathize with the government in the position it faces. Indeed it is a difficult one. However, it is not an excuse for inaction, particularly since we as a party have put forward strong solutions to address these very important areas. Our HRD areas are in critical shape. They are in effect ready to fall apart.

On the one hand, we have an increase in demand. On the other hand, with an increasing debt we have less money to spend on social programs. An important fact is that by the year 2010 the combination of payments on the interest and all the payments on social programs will consume every single dollar and every penny that comes into the federal coffers. What is the government going to do when that day comes? It is only 15 years from now. What is it going to do?

We need intelligent plans in order to put social programs on a firm fiscal footing. The consequence of not doing that is to face collapse. Those who are going to suffer the most are those who are in greatest need. It is not the people in this room who are going to suffer; it is the people in soup kitchens, the people who cannot feed their children anything but macaroni and cheese, the people who are unemployable and the people who are not making ends meet. They are the ones who are going to hit the wall. They are the ones who are going to have to pick up the pieces, but they will not be able to pick up the pieces.

• (1040)

The Reform Party has been accused of being a slash and burn party. I would not have joined this party and my colleagues would not have joined it if that were the case. I believe that every member of Parliament is committed to ensuring that social programs will continue in the future. We do not want to see people suffer. However, to sit around and do nothing is the single greatest threat to social programs. Inaction threatens social programs. It is causing them to implode. Health care is being rationed. Social programs are being rationed. There have been cuts across the board in welfare. That is what is preventing the people who truly need the programs from being able to live a healthy life.

Those who suffer the most are the children. They are not receiving the proper nutrition. They do not have the ability to grow up to be healthy and strong.

We spend $19.1 billion on old age security. The cost of that is increasing rapidly. It is out of control. Within the next 15 years the number of seniors will increase by 40 per cent. How will we pay for this? There is absolutely no plan for providing OAS to these people.

The Canada pension plan is $500 billion in debt. This is not accounted for in the debt figures. It is not actuarially sound, and there is no plan to change it.

The Reform Party has put forward a plan for super RRSPs. I hope the government will seriously look at that plan and work with us on the program to ensure that the people who need it will receive both the OAS and the CPP.

I would like to make some constructive suggestions. First, we have to decrease duplication and decentralize. It was a tragedy that the referendum was based in part on decentralization, because that is going to have to happen in every province across the country. For the country to be carved up partly over decentralization is a tragedy, because it is inevitable.

In fact clause 6 of the bill does the opposite. It strengthens the hand of the federal government rather than decentralizing powers. Decentralizing powers does not mean that people will suffer. By doing that, duplication will be decreased and more money will be provided to the end user.

The government can take a leadership role by working with the provinces in providing a minimum standard across the board to create similar standards for the provinces and ensure that those provinces that are the most impoverished will not suffer. It is a challenge, but it can be met.

Second, we have to prioritize spending. It makes no sense to me that when we are prioritizing spending we cut across the board. That cuts from everybody, those who are abusing the program as well as those who are not.

In British Columbia they looked at welfare. They looked at 780 people. Of that number, 280 were flagrantly abusing the system and did not need to be on welfare. They stopped after looking at 780 people; it was too inflammatory for them to continue. That is a lot of people. That money could be better spent in bringing down the debt and also in ensuring that the people who need it will get it. Cutting across the board only makes those who are the poorest suffer more.

We should focus on skills training. Let us make sure there is enough money in the pot to provide skills for the unemployed.

We also need to decrease the tax load. We have heard much about taxing the rich and corporations. However, the reality is that small and medium sized businesses are creating the jobs in our country.

• (1045)

What are these businesses telling us? They say that we cannot compete with other countries with our existing tax load. Many of the closed shops and closed industries and much of the exodus of companies south are in large part due to the fact that their tax

load is too great. Who suffers? It is mostly the people who are employed by them. Therefore our unemployment rates go up.

We need to decrease government red tape which is severely restricting the ability of companies to function properly. We must also decrease the debt.

We are not a slash and burn party. We have put forward constructive plans to enable us to decrease the debt, to get the deficit to zero, to priorize social programs, to provide alternatives to social programs, to priorize spending and to give people the skills to take care of themselves.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, I too should like to speak to Bill C–96.

The bill is simply a housekeeping bill that brings together a number of departments under one roof. Yet it has inflamed the emotions of both opposition parties. Their criticisms are so completely unjustified that I must wonder if in making the accusations both parties are really speaking to their not so hidden agenda.

Some members opposite see Bill C–96, particularly clause 6, as a power grab. I have no idea how they came to this conclusion because clause 6 simply states:

> The powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction and relating to the development of the human resources of Canada not by law assigned to any other Minister, department, board or agency of the Government of Canada, and are to be exercised with the objective of enhancing employment, encouraging equality and promoting social security.

Any reasonable objective analyst not fixated on a separatist agenda or decentralist ideology would see that clause as a statement of purpose. It lists clear and legitimate limits for the minister, whose mandate is and always has been to devise policies that enhance employment, encourage equality and promote social security.

Bill C–96 does not change federal or provincial powers at all. It does not tip the balance one way or the other. It neither increases nor reduces the minister's range of authority. The statutory powers of the department in place now are unchanged. I am sure members of both opposition parties who have basic reading comprehension skills must know that.

The bill does not establish new initiatives or alter existing ones in any way. Only those members opposite who have chosen to play the victim role to the hilt and who apparently see a potential humiliation in every act of the federal government would see a power grab in the bill.

The three objectives set out in clause 6 of the bill, enhancing employment, encouraging equality and promoting social security, have always been key objectives of the federal government, especially of Liberal federal governments.

If a national government is not in the business of creating jobs, promoting equality of opportunity and establishing a social safety net, what is its business? Any federal government on the globe that is not totally anaemic, corrupt or viciously insensitive must have these fundamental objectives, especially the government of a country that has been named for the third year running the best country in the world in which to live. If the Canadian government were to drop these objectives, the official opposition would be the first to scream unjust and declare yet another humiliation of Quebec.

The Canadian government is constitutionally responsible for unemployment insurance and for creating and operating programs that help unemployed Canadians find employment no matter where they live in the country. In my riding in British Columbia COAST and FOCUS YWCA have provided and continue to provide invaluable services, especially for single moms on welfare. Currently many of these programs do not receive funding from the B.C. government when they are actually saving tens of thousands of dollars in welfare payments.

• (1050)

The federal Government of Canada has an international obligation under a convention of the International Labour Organization to provide national labour market information and exchange for all Canadians. The federal government is responsible for national economic growth and development. Therefore it is common sense that it must be involved in training.

If we have learned one thing over the past decade it is that a well trained workforce is absolutely essential if we want to remain competitive in the global marketplace and to maintain our standard of living as number one in the world. The strongest most innovative economies in the world today, Japan and Germany, have become what they are largely because of their national policies that emphasize training.

The federal government must be able to assist those affected by special situations that go beyond the jurisdictions of any one province, such as workers in the fishing industry, older workers displaced by restructuring of the economy or the dispossessed youth of Canada. In my riding Youth Service Canada projects have benefited youths very directly.

The federal government has absolutely no interest in having powers just because it wants them. The Minister of Human Resources Development said it very well when he said that we must combine resources across the country so that when one area is facing high unemployment another area helps to support it.

That is the Canadian way. That is why we have a federal country and a federal government. One part of the country supports another when it is undergoing trouble. It is a family in which we all help each other in times of need, because we know

one day we may in turn be in times of need. That is the fundamental concept of sharing. The more we fragment the country as the third party opposition would have us do, the more we divide it, separate it, decentralize it and balkanize it into a series of fiefdoms, the less capable we are of helping individuals that no longer have the benefit of that sharing. That is why the federal government must continue to play an important role in this area.

We have always been open to discussions with provincial, territorial and municipal governments about who is the best suited to deliver certain programs. We have negotiated that because we know we do not always deliver the best programs and that things must be done at the community level.

Because clause 6 of Bill C–96 sets out the department's mandate in terms of general objectives, we must have the flexibility to serve Canadians better. I do not want to sidetrack the debate by raising non–issues and reading into clause 6 things that are there. It is really a disservice to the thousands of Canadians in all provinces who benefit from job creation and training.

The other clause in Bill C–96 about which concerns have been raised is clause 20. It reads:

> For the purpose of facilitating the formulation, co–ordination and implementation—

Words like co–ordination mean that we work together to make something work. It is so simple and fundamental to a clear understanding of how teamwork is accomplished, of how we pull together, that I cannot understand the problem. Anyway the clause continues:

> —the Minister may enter into agreements with a province or group of provinces, agencies of provinces, financial institutions and such other persons or bodies as the Minister considers appropriate.

Any reasonable objective observer would see in this clause no hidden agenda to intrude. It merely provides a way to formulate co–operation with all groups with which we must form partnerships if we are to make the changes.

Without the authority that clause 20 gives the minister the department would have difficulties conducting its simple mandate and its simple business. However the Bloc is bent on getting more power for the political elite in Quebec, while the Reform Party is bent solely on getting more power for the provinces and fragmenting and balkanizing the country.

In 1994–95 the department of human resources signed more than 50,000 labour market related contracts in Quebec which were worth $700 million. Among those 50,000 contracts were 9,600 contracts with non–profit organizations, 9,300 contracts with private sector enterprises and 25,000 contracts under the fee payer trainee program, all in Quebec. It is the authority granted to the minister under clause 20.

• (1055)

It allows us to enter into agreements with financial institutions for student loans. How are we to create a country of young people who can take over from us and carry on if those who cannot afford to go to school are not allowed student loans?

It enables the federal government to sign agreements with provinces to help displaced older workers. When 45 or 50 year old people lose their jobs, especially in the emerging communication technology era, they need training.

This kind of section empowered Ottawa to enter into a partnership with Quebec to help entrepreneurs and to help workers affected by the closing of the Hyundai plant in Bromont last March. The whole bill helps the department of human resources to create a national vision for Canada. It is not for British Columbia alone. It is how we work together as a country to achieve the kinds of things that make us the envy of the world.

We are a unique country. I continue to hear people talk about how another country does it and why we are not doing it the same way. Wherever we go we hear people saying that Canada is a unique country. We have learned how to work together in peace. We have learned to do what we are supposed to do, that is to create peace, order and good government.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, Bill C–96—and this may surprise you—seems to me to insult Quebec federalists. A lot of federalists in Quebec still felt, in the last referendum, that the federal government deserved one last chance to demonstrate its desire for change. Bill C–96, which was tabled before the referendum and which the federal government is still having debated in the House simply as if nothing had happened, represents the federal government's decision to interfere more systematically and with a basis in law—a new approach.

The bureaucratic powers in Ottawa have now decided to incorporate into legislation the intrusions by the federal government over the past years in the area of manpower through its control over the unemployment insurance fund. This is particularly significant and a bit of a blow to Quebec federalists and to the consensus in Quebec on the question of manpower.

There is, for example, Ghislain Dufour, the spokesperson and chief executive officer of the Conseil du patronat du Québec, who is not exactly considered a separatist or a sovereignist in Quebec. He says that now is the time, following the close result in the referendum, for the federal government to make it clear it is in favour of change and therefore acknowledge the consensus in Quebec on training and manpower. It is time the federal government agreed to give Quebec full responsibility for man-

power to put an end to the duplication and unnecessary expenditure in this sector.

We hear the same message from Gérald Ponton of the Association des manufacturiers du Québec. In the days that followed the referendum, he said it was absolutely vital that one level of government withdraw, if manpower practices were to be effective. For this to work in Quebec, it is the federal government that will have to withdraw. We must not forget that the whole matter of training is part of government activity, it does not simply come out of thin air.

As Quebec is already responsible for the labour code, which covers the vast majority of Quebec workers, for occupational health and safety, for minimum labour standards and for all regulations on professional qualifications, professional conduct and mass layoffs, giving Quebec responsibility for the entire area of training is like giving it an extra piece of equipment in its tool box. The Government of Quebec already has the networks, like the education network, for it to get involved in occupational training, among other areas, in order to ensure that young people coming along and workers needing retraining receive what they need efficiently and appropriately.

The auditor general, in his latest report, concluded that employee training costs were highest in Quebec in terms of the money spent by the federal government.

• (1100)

This is further proof, with the numbers to support it, that the federal government should withdraw from this sector.

But, instead, it forges ahead with Bill C–96; it insists on interfering everywhere, and on signing agreements with municipal governments, various agencies, and even the provinces. But nowhere does it say that these agreements will be in keeping with the provinces' policies.

In a way, this is the continuation of the monolithic state, and this is the terrible insult to Quebec federalists who want to see the Canadian Constitution and the Canadian structure revamped so that the federal government assumes only those responsibilities which come under its jurisdiction and which would be acceptable to federalists.

I also believe that this is the proof that, after all, sovereignists are right. Even with the warning it was served on October 30, the government is unable to shift gears and proceed with the adjustments that would allow it to meet Quebecers' aspirations; the only way for Quebec to have the tools it needs will be for the province to hold another referendum and separate.

What could be said to get the government to reverse its decision to pass this bill? What could make the government withdraw from this sector? I believe it would take two conditions which will be easily attainable. First, the federal government must stop using the unemployment insurance fund as a cash cow; now that it can no longer borrow money abroad, it has discovered a domestic market, namely employee and employer UI contributions. As a result, this year, in 1995–1995, it has accumulated a five billion dollar surplus, while it cut the number of weeks during which beneficiaries are entitled to UI benefits and increased the number of weeks of work required to qualify for UI. It has some nerve.

This is quite a message for the workers of Quebec and Canada, especially seasonal workers; it says that in order to be able to encroach on a field of exclusive provincial jurisdiction, the federal government is going to squeeze money out of those who need it the most. Let us take a worker in peat production, forestry or agriculture in general; because of those measures, instead of becoming entitled to unemployment benefits after 12, 13 or 14 weeks and receiving them for the rest of the year if his job is to continue the following year, the worker will have to find work for 14 or 15 weeks; otherwise, he will not be able to fulfil the requirements and receive a full year's income from either work or unemployment.

We know that unemployment insurance is not financed by the government, but exclusively by employer and employee contributions. Let us try to transpose this situation into another type of insurance program. You pay premiums, but you have no control whatsoever over the contract which determines how you will obtain insurance benefits; the decision is entirely up to the government. Instead of being eligible for benefits for 30 or 35 weeks, you will receive them for 25 or 30 weeks only, and there will be a four or five–week waiting period during which you will have to go on welfare. That is what is happening in Quebec this year. Between September 1994 and September 1995, the number of welfare recipients increased by 20,000 because of changes made by the federal government and now they are announcing, for next week, a new reform which will raise eligibility requirements yet again.

This also sends a message to federalists who believe there can be a difference between Canada and the United States. This government keeps trying to copy the American model, but the expected result will never be achieved. Canadians, particularly those of the Maritimes and Eastern Quebec and all those who really want more balance in our society and an adequate distribution of wealth and expenses, will have to stand up and say: "No; we will no longer accept that kind of action on the part of the government. It will have to restrain its activities to its own constitutional jurisdiction and withdraw once and for all from such areas as manpower training."

• (1105)

That is why I think the government should listen to the provinces, take note of the consensus in Quebec and withdraw

Bill C–96 completely, because it already has rejected our amendment which would have given the provinces an opting out option.

Since that they have rejected the amendment, the only other solution is to withdraw the bill itself so that we can clarify the situation and so that Quebec can have sole jurisdiction in the area of manpower training and take all the necessary measures to face the challenges of our changing society.

Given the arguments presented, I hope the government will have the decency to withdraw this bill.

[*English*]

Mrs. Sue Barnes (London West, Lib.): Madam Speaker, on Tuesday we dealt with the amendment proposed by the member for Mercier, a motion that had nothing to do with Bill C–96. Now perhaps we can move forward.

As I look back over the various statements by members on this bill, it seems to me there are really two basic questions we have to answer. First, does Bill C–96 represent any change in statutory powers that would allow the federal government to interfere with the provinces? Second, is the department created by Bill C–96 the kind of department we want, a department that will provide the best possible service and the right kind of service to Canadians?

We can deal with the first question very quickly. It has been answered clearly by the Minister of Human Resources Development and it is answered clearly by the bill itself. There are no substantive changes to existing statutory powers. The bill itself in clause 6 limits the powers of the minister to matters under the jurisdiction of Parliament, so there can be no intrusion on provincial areas of responsibility.

That really is the end of the discussion. Some people may say otherwise. They may say the bill is a secret plot to invade provincial territory, but saying it is so does not make it so, no matter how many times you say it. In the end we have to base any conclusions on what is really in the bill in black and white, not what is in other people's imagination. What is there in black and white is very clear: There is no interference with the provinces, possible or intended, in Bill C–96.

The second question deserves more comment. Is this the kind of department we want to create?

Fundamentally, this bill draws together all the different elements, programs and policies of the federal government related to human resources development into one integrated, coherent system. It is the basis for a new approach to helping Canadians as they deal with some of the incredible changes in the workplace and in the economy. It also provides a basis for new relationships between the federal government and individual Canadians, between different levels of government, between governments and local communities. As the Minister of Human Resources Development said when he moved second reading:

> This is not a defence of the status quo or what it used to be. It is an attempt to provide a new, innovative way of governing—.The old ways are simply not relevant to the kinds of conditions we now face. That is one reason the government has undertaken to provide a new set of instruments, brought together with a single focus on policy.

The minister went on to say that the single focus was there so we can tackle the real deficit problem, which is not just the fiscal deficit, but the human deficit, a deficit as corrosive and undermining to the well–being of individuals as anything we face on the fiscal side.

How can this new department help tackle the problems we have with the human deficit? I say it is by providing a single focal point in the communities across the country, drawing together all the resources of the federal government and the community to help people find and keep jobs. It is by providing the opportunity for working more closely with the provinces to draw all of this country's resources together to help people find jobs. This is the priority of this government. It is the number one priority for Canadians. We know that.

Throughout this debate we have heard many examples of how this approach is already working. We have heard how the department is building a new integrated, decentralized service network moving from 450 to 750 points of service reaching smaller communities 24 hours a day. It is providing four times as many offices where seniors can get service in person. It is using the best technology available to speed up service, cutting UI processing time by two days, cutting old age security processing claims from eight days to one–half day.

• (1110)

We have heard how major changes have made student loans more accessible, flexible and sustainable. This has helped more than 300,000 students this year alone and has provided special grants to more than 13,000 high need students. We have heard how our new youth internships are leading to real jobs for some 24,000 young Canadians and how 130 Youth Service Canada projects across the country are helping young people serve their communities while getting valuable work experience. We know this is essential.

We have heard how the department is building new stronger partnerships with the private sector. There is increased funding for sector councils, partnerships where every federal dollar generates an additional $1.50 from industry to help Canadians adjust to the new economy, and we all have to realize it is here.

We have heard how the federal government is developing new partnerships with the provinces through joint federal–provincial initiatives. This is helping some 60,000 single mothers, older workers, aboriginals and young people to get new skills and new jobs.

We have heard again how this department is reviewing and distilling its 39 programs into a streamlined decentralized set of re–employment tools, tools that respond directly to the needs of Canadians where they live. Decisions can be made in the local communities instead of many miles away in some centralized bureaucracy. The provinces, municipalities, local businesses and organizations can be part of those decisions. They can tailor how federal service will be used to help people in their communities get back to work.

This may sound abstract, but in London, Ontario there is a wonderful example of these policies in action. Last month the minister sat down with community groups and political leaders in London to discuss the creation of a new learning and life centre there.

The London Learning and Life Centre will provide a centralized location for employment preparation, skills training and adult education. It will house a job search centre, an interactive lab for computer training and office space for community service professionals. Even an on–site child care service is planned.

An estimated, and I think this is conservative, 8,000 to 10,000 persons will utilize its services annually in London. The centre began as a community initiative, bottom up, not top down and has enormous community support. Its partner organizations include groups representing women, youth, adult learners, aboriginal people, immigrants and educators. Recognizing the real concerns, the real common sense of enabling local communities to work together for social development, the federal government contributed $700,000 to the initial stages of the centre's creation.

We heard the minister make clear commitments to build on the success of this decentralized approach, inviting the provinces to sit down and devise new solutions, new ways of working together. This is what the Canadian public wants. We want governments to work together with communities and individuals, new ways to deliver the best possible services, the most effective services to Canadians where they live, not here in Ottawa. This is clearly the right direction. This is clearly the kind of change and the kind of department that we need as Canada prepares for a new century.

The basic philosophy behind the new department, the vision behind Bill C–96, represents something new and very exciting. It is already making a difference in my community and in the lives of hundreds of thousands of Canadians every day throughout this country.

It is up to the House now to ensure that the department can keep moving forward and that Canadians can count on this government's commitment to provide the best possible help in today's economy. Bill C–96 creates the department that can deliver what Canadians need. It creates the kind of department that can make a difference and the kind of department that makes sense.

We have every reason to move forward, not backward, and to put this legislation in place as quickly as possible.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, I stand today in this House to address Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts.

The bill gives a legal basis to the Department of Human Resources Development in order to extend the powers of the Minister of Human Resources Development.

• (1115)

Thus, this bill gives the minister the power to circumvent provincial powers in order to establish direct links with local organizations or such other persons he considers appropriate. With increased federal intrusion in social and employment programs, and most particularly, in manpower training, all social or employment related sectors are likely to be affected by federal action. Consequently, with new powers, the minister is interfering with provincial jurisdiction.

In the powers, duties and functions of the minister outlined in clause 6, it is specified that he exercises his power

> —with the objective of enhancing employment, encouraging equality and promoting social security—

in matters over which Parliament has jurisdiction.

Clause 20 provides that the minister, within his powers, duties and functions,

> —may enter into agreements with a province or group of provinces, agencies of provinces, financial institutions and such other persons or bodies as the Minister considers appropriate.

In the old legislation, the minister only had the power to enter into agreements with a province or group of provinces.

In clause 31.3,

> The Commission may authorize any person or body—to exercise powers or perform duties and functions of or delegated to the Commission.

In sectopm 18.3 of the old legislation, the commission could delegate them only to "officers or employees or classes of officers or employees of the Commission or, where the Minister approves, of the Department". It thus has delegation power equal to the minister's.

Quebec partners in the labour market have long recognized the need to repatriate to Quebec federal responsibilities and budgets for manpower.

The 1989 employment forum was a major step in this process. In December 1990, the Quebec Liberal government officially

demanded that all federal budgets, including UI funds, allocated to manpower programs be transferred to Quebec.

The Quebec government hastened to create the Quebec manpower development society or SQDM so that labour market partners could work together to manage all manpower development programs in Quebec.

Bill C–96 increases the federal presence and encroaches on provincial jurisdiction by allowing the federal government to approach organizations, municipalities and individuals directly, without going through an intermediary.

The bill gives the minister, among other things, greater powers to intervene in income security matters for children and seniors. This opens the door
to the privatization and contracting–out of certain programs, including unemployment insurance and the Canada pension plan.

As spokesman on seniors' organizations for the official opposition in the House of Commons, I am outraged by the June 12 tabling of the document from the Department of Human Resources Development, which questions the universality of old age pensions.

On Thursday, October 26, my colleague, the hon. member for Mercier and official opposition critic on human resources development in the House of Commons, said this: "The old age pension plan, the guaranteed income supplement, the spouse's allowance, the pension income tax credit, and the age tax credit will be combined into a single assistance program. Seniors' eligibility for this program will be based on their income".

The hon. member for Mercier also had this to say about the reform: "It is not only the end of universality for the old age pension that is at stake. What this government wants is to base the amount of the pension cheque on family income. This will affect mostly women and threatens their financial independence. The planned reform would also affect those who already receive their pensions, despite what the Prime Minister of Canada had suggested".

It is obvious that the end of universality for old age pensions marks a significant setback for Canadian and Quebec society, for women, and for all those who have a right to expect a minimum of financial security in the future.

• (1120)

Quebec also has the dubious honour of having the highest rate of poverty among seniors over 65 years old in all of Canada. This analysis was made by the senior citizens council. The old age security pension remains the main source of income for seniors, and elderly women in particular. I have spoken many times in this House to denounce the federal government's planned cuts to old age pension, especially those announced after the October 30 referendum in Quebec.

When we put questions to the HRD minister in the House, he laughs them off and always seems to have all the answers. To listen to him, you would think that he is graced with papal infallibility. On September 26, as the official opposition's critic for seniors' organizations, I asked Prime Minister of Canada if he could confirm for Quebecers and Canadians in general that his government's old age pension reform was actually ready but being put off until after the referendum so seniors would not know how extensive the cuts awaiting them were.

At the same time, I pointed out to the Prime Minister that his Minister of Foreign Affairs had clearly stated that the federal government would definitely not touch old age pensions, which is in total contradiction with his finance colleague's announcement, in his February budget, of an old age pension reform.

Of course, as expected, the federal government did not announce any cuts before the Quebec referendum. I must point out that the federal labour minister and minister responsible for the government's no campaign in the referendum also departed from the traditional federal Liberal line in reassuring a concerned lady by saying that the pension system would also be maintained under the Quebec sovereignty bill.

On September 21, I questioned the Minister of Finance about the review of the Canada pension plan, pointing out to him that it was obvious he and the HRD minister were waiting until after the referendum to let the axe fall on the old age pension program.

The Parti Quebecois made a firm commitment to maintain the old age pension program in a sovereign Quebec. In fact, clause 11 of the draft bill on Quebec's sovereignty states that pensions and supplements payable to the elderly shall continue to be paid by the Government of Quebec according to the same terms and conditions.

Unlike the federal government, Quebec will be able to fund this program through tax moneys recovered from Ottawa. It should be pointed out however that the old age security program is funded through taxes levied by the federal government in Quebec and across Canada. On the other hand, the Quebec pension plan, QPP for short, is funded through premiums paid by Quebec employers and workers. With the QPP, Quebec already has all the administrative structures needed to keep providing the old age pensions currently paid by Ottawa out of Quebec taxpayers' taxes when Quebec becomes sovereign, which should not be long in coming.

Bill C–96 is the federal government's way of interfering in and creating more overlap with provincial jurisdictions. Areas coming under the responsibility of the minister would include old age security programs, and the Bloc Quebecois cannot support such a bill.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, we have heard many fine words about Bill C–96 over the past two weeks. I will quote some words said on Monday because they sum up one of the main reasons we need to proceed with the bill.

One member said: "The key to the future is a good training program based on the manpower requirements of the region in which they live. It is certainly not here in Ottawa, far from my region and others, that public officials can determine the best training programs for my constituents. They are too far away and they do not know about our specific needs. Therefore the decision making process regarding manpower training must be closer to those concerned".

• (1125)

Bringing decision making closer to those concerned is perhaps the simplest way to describe the principle underlying Bill C–96. What is interesting is that the person who described it in this way was none other than the member for Chicoutimi.

I am very pleased to see that the Bloc Quebecois, despite all its rhetoric, agrees with the basic intention of the bill. The government is decentralizing labour market programs more than ever before so that individuals and communities are empowered to make real decisions that affect their lives.

If the member truly believes this is the right thing to do, and it is, he has every reason to endorse the bill. Of course the member goes on to describe the bill as unacceptable to Quebecers. His colleague, the member for Blainville—Deux–Montagnes, goes so far as to described Bill C–96 as a steamroller of centralizing and anti–social legislation. I can only assume this is merely a lapse into the Bloc's more picturesque rhetoric.

I urge the member for Chicoutimi to trust his first instincts and recognize the bill for the ground breaking decentralizing legislation it is.

Everyone in the House recognizes there is a need to forge better partnerships, better working relationships between the federal and provincial governments. This is precisely why the federal government has invited the provinces to talk about new arrangements for labour market programs. We have made it clear that we fully respect the integrity of provincial jurisdiction in the area of training. We want to find a better way to work together.

Bill C–96 is a concrete illustration of this desire. The Minister of Human Resources Development said on November 9: "One of the direct results of the department will be to give far more space for provincial governments to begin to make decisions at their level of responsibility and jurisdiction. The time has come for us to take a much closer look at the respective roles and to build bridges to bring us together".

Our actions as a government, the initiatives taken with this department over the past two years, also demonstrate this desire to work with the provinces and address their concerns. Surely the time has come for all levels of government, federal, provincial and municipal, to rise above the old–fashioned turf wars and start finding ways to work together, to bring our resources together and to help the people we serve.

The Bloc, on the other hand, seems intent on blocking the very progress it professes to believe in. Instead of urging us on, instead of supporting positive, constructive action, it throws up this wall of words. Under the banner of jurisdiction the Bloc says we should do nothing. In the name of progress and change I say let us find better ways to do our job.

We cannot do a better job by building walls that keep us apart. We need a better philosophy. We need the kind of philosophy the minister outlined when he spoke of the need to empower communities and individuals to make more choices. What does the Bloc Quebecois saying response? No. Individuals should not be empowered to make more choices. That is the philosophy of the Bloc Quebecois.

We need the kind of philosophy the minister outlined when he spoke of new partnerships: government with the private sector, government with the school boards, government with the provinces. What does the Bloc say in response? No. We do not want to work together for change.

Is it any wonder so many people in Quebec feel abandoned? The member for Chicoutimi speaks with concern for his riding, which has the highest unemployment rate in Canada. How can he expect to help Canadians in his riding with a do nothing philosophy?

How can we hope to help the people of Chicoutimi by saying: "You cannot have this awful federalist Bill C–96. You cannot have a system that gives you the power and resources you need to build better lives and get good jobs. It is not the Bloc Quebecois way.

This is plain nonsense. Quebecers and all Canadians deserve something better than that. The one million Quebecers who turn to HRDC for help each year deserve the best help they can get. The more than 164,000 Quebecers we helped find jobs last year deserve that help. The 44,789 students who found employment last summer deserve those jobs.

• (1130)

The 700,000 Quebecers who use provincial social assistance programs deserve to see the federal government's contribution, almost $3 billion each year, used in the most flexible and productive way possible.

The half million UI claimants in Quebec each month deserve the best possible service in their quest to get back into the workforce.

The 400,000 Quebecers who benefited from the department's employment programs and services deserve to see those programs become more effective, more flexible, more focused on their needs.

The 850,000 Quebec seniors deserve to benefit from improved access and service that will be available as the department builds its new service delivery system.

Every Quebecer deserves more than the status quo. Bill C–96 is about moving beyond the status quo to something better, to more responsive programs and services, better programs and services designed and delivered at the community level, where they can make a difference.

Bill C–96 will strengthen partnerships and decentralize power even further and let Quebecers make the decisions about what kinds of programs and services make sense in their communities.

We have made enormous progress over the last year in the pioneering of this approach, fundamentally rethinking and redoing the way HRDC works in communities in Quebec and across Canada. We are making enormous progress in working with the provinces to provide the most flexible services possible to all Canadians. Consider, for example, the Canada health and social transfer, which will replace the old Canada assistance plan. The whole point of this CHST is to help the provinces deliver the kinds of social benefits and services they want to deliver but cannot because of the inflexibility of existing arrangements.

We are making real progress, showing that we can work together in putting solid progressive social programs in the hands of Quebecers. Bill C–96 is about continuing this momentum. It is about continuing to work together to clarify the roles of different levels of government and it is about building bridges. Surely this is a better way than talking about imaginary power grabs. Building bridges together is the philosophy. This vision underlies the new Department of Human Resources Development.

Bill C–96 provides the basis for the new department. With the accord and support of the House we can put this legislation in place and move forward.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Madam Speaker, I am very pleased to address once again Bill C–96, this time at second reading. This act to establish the Department of Human Resources Development has an extremely negative impact in my riding, since it involves, among other things, a restructuring of the employment centre network across Canada, including in Quebec.

Following that restructuring, there will be 28 regional management centres in Quebec, as well as 78 local centres or sub–offices. What is disturbing for Trois–Rivières and its surrounding region is that the government, in its wisdom, has decided to establish the regional operation centre in Shawinigan, instead of Trois–Rivières.

From now on, Trois–Rivières will be served by a suboffice of the regional centre in Shawinigan. You can understand that this decision is unpopular and also illogical. We strongly hope this is just an idea, but there is every indication that a final decision has been made at the departmental level. That decision is unpopular. Indeed, already, more than 25,000 residents from the Trois–Rivières region have signed a petition in which they express their disagreement and their discontent. Moreover, all the major stakeholders, including MPs and MPPs, the mayor of Trois–Rivières, various community groups, as well as 70 organizations, including some 40 municipalities, have also expressed, in writing or through resolutions, their opposition to the government's intention.

• (1135)

In addition to the employees' union, which is being disregarded in this process, two other organizations, the Fédération de l'âge d'or and the Fédération des caisses populaires of the Mauricie region, co–operated to ensure the success of that petition.

Not only is this decision unpopular, it is also illogical. It is so illogical and it makes so little sense that it even contradicts the criteria defined by the department regarding the selection and the location of these regional management centres. The main criteria, which were based on plain common sense, took into account the number of people concerned, including UI beneficiaries, income security recipients and seniors, because they are greatly affected by this project. These criteria also took into consideration the number of companies and employers hiring people who are UI beneficiaries, at least we hope this is the case, and which are concerned by such a decision and by the current role of the employment centres.

Given the numbers for these groups in the Shawinigan and Trois–Rivières regions, the decision does not make sense and goes against established criteria. Indeed, in terms of numbers, the ratio is two to one in favour of Trois–Rivières for just about

every group, whether it be the overall population, the number of companies, the number of UI beneficiaries, etc.

This shows just how illogical the decision is. It is a decision which goes against the department's own criteria.

The change is upsetting for Trois–Rivières residents, because it has to do with the establishment of regional centres. Yet, the government wants to go to Shawinigan and just keep a local centre in Trois–Rivières, in spite of the fact that the latter is recognized as the main centre in the region. This is totally unacceptable, and we will continue, along with the other stakeholders, to denounce the situation.

We have to know what it will mean in day–to–day terms. People will come to apply in Trois–Rivières, since the role of sub–offices, like the one intended for Trois–Rivières, is to receive applications for benefits, and take information only without making any analysis or any ruling, and then pass on the information to the regional management centre, which will from then on keep the actual file of the claimant's application. When an application will need, as three out of four applications do, further attention or special analysis, the whole operation, any action, will be directed from Shawinigan twice as often to Trois–Rivière because of the population pool.

At present, for unemployment insurance, the department's investigations, which are routine in some cases, are made in Trois–Rivières, as are complaints made to the board of referees, since the actual file is in Trois–Rivières. In answer to the letter we wrote to make the appropriate representations about the intended move, the minister indicated that services will not be altered in any way for the people of Trois–Rivières. However, from now on, contrary to what the minister said in his letter, the department's investigations and the appeals to the board of referees will be made in Shawinigan and from Shawinigan, which altering, to use the minister's word, operations as they now stand.

We therefore question the good faith of the minister who, in our opinion, is trying to fool the population when he says such things.

You have to be aware that the project was developed, or the decision made, without any consultation. It was announced just before the House recessed, or just before the change of rhythm that occurs in our society at the beginning of the summer holidays, since the announcement was made on June 22 and later confirmed in late July or early August, at a time when it is practically impossible to mobilize the population. What a nice approach, somewhat in keeping with the minister's image.

I remind you that this was done without any consultation, both locally and regionally, and regardless of the regional dialogue that goes on in our area, the Mauricie.

• (1140)

I remind you also, as was confirmed to me yesterday by reliable sources, that there has been no comparative analysis of the impact of keeping the centre in Trois–Rivières, which used to be the focal point, instead of moving it to Shawinigan. They did not study the impact on the population, users or costs. I will deal with that later on.

One of the effects is that Bécancour, a community traditionally and naturally linked with Trois–Rivières, particularly as regards the manpower operations at the regional office in Trois–Rivières, will now have to deal with Drummondville, a choice that is arbitrary and inconsistent with the practices in our region, and makes no sense.

Anyone with the slightest acquaintance with this area would know things do not work that way. That is one of the reasons why my colleagues for Richelieu and Champlain and I agreed to a joint position and condemned the move, because our ridings are affected in various ways. This is a good example of the kind of co–operation that can come about when people want to co–operate.

Another aspect, which is just as revolting, is that this move will be detrimental to those most in need, people who have just lost their job and find themselves in a state of vulnerability they had not experienced before.

These people will feel increasingly uncomfortable in dealing with a system decreasingly at their service. Besides, what we have here is technological change of a type that will dehumanize relations between the department and people in need like the unemployed, seniors—who will feel the impact of that move—, people on welfare and community organizations which, as we know, rely heavily on volunteers and government assistance. Things have been made more difficult for them, and that is why this move should be condemned.

The government can choose one of three solutions if it wants to mend its ways. First, it could maintain the status quo, deal with existing circumstances, respect the wishes of the local population and users, and keep the centre in Trois–Rivières. Everybody would be happy.

A second alternative would be to have a regional office in Trois–Rivières for the whole area, including Bécancour, and give Shawinigan the status of a regional centre for the north shore, including Saint–Tite. The situation would be similar to that of Gaspé or Sept–Îles, something that could make sense. It would be up to the hon. member for Saint–Maurice to demonstrate that such an alternative makes sense.

Third, the most absurd alternative would be to set up a regional management centre in Shawinigan to serve the whole region, a decision we will always condemn.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, let me first start by saying that our worst nightmare has come true. What we feared when we embarked upon the last referendum campaign was that the central government would disregard one of the most solid consensus we have ever seen in the province of Quebec.

This most solid and deep–rooted consensus is that we will never be able to do anything about the employment situation if we do not give the levers required to deal with labour market–related problems to the level of government most capable of doing so.

Right now, the best government to give Quebec a labour market policy to efficiently fight unemployment is not the central government, but rather the National Assembly of Quebec.

Why are we saying that it is not the central government? Because the central government has to make decisions about a labour market that covers five regions, and we know that the labour market situation in New Brunswick is nothing like the situation in Quebec.

This is why several, if not all, of the major stakeholders on the Quebec labour market are opposed to Bill C–96.

• (1145)

Let me remind the House of some of the organizations that are against Bill C–96. There is the Société québécoise de développement de la main–d'oeuvre, the Institut canadien de l'éducation des adultes, the FTQ, the CLC, and despite this coalition of organizations representing tens of thousands of citizens, the central government has the nerve, the gall to introduce in this House a bill that would allow the federal to interfere in an area without any mandate to do so.

I hope that the government whip and his team will finally come to their senses and realize that they are doing something irreparable by submitting Bill C–96.

Yet, when you think about it it is obvious that everything which concerns the labour market comes under provincial jurisdiction. Surely, no member of this House is unaware that the labour code, the CSST, orders respecting collective agreements and mass layoffs are areas of provincial jurisdiction and that it is perfectly natural that labour market–related policies are the specific and exclusive business of the provinces.

Let me remind the House of a fact: unemployment is not innate. One is not born unemployed. Unemployment has nothing to do with genetics. Nor has it anything to do with the language one speaks. A person's language does not bear on his or her working skills. How is it, then, that within the federation the unemployment rate has always been higher in Quebec than in Ontario? Workers in both provinces have about the same qualifications and live in about the same social and economic environment. How is it that for the last 20 or 25 years Quebec has had a higher rate of unemployment than Ontario? And I am sure we could give very concrete examples of countries where unemployment was successfully eliminated. They have what is called a frictional unemployment rate of about 3 or 4 per cent, reflecting the number of people who quit their job for a very particular reason and are looking for another one.

How is it that we are unable in our system to create conditions allowing all those who want to work to find a job? Naturally, there are those who cannot work because they are handicapped and those who are momentarily out of work and those who do not want to work. But how is it that, in 1995, qualified and competent people who truly want to work find themselves in a system where the government is unable to create conditions leading to their employment? You do not have to be a rocket scientist or have three doctorates to understand that, if unemployment is not a matter of heredity or of language, there must be political reasons to explain why the unemployment rate is at 11, 12 or 13 per cent.

These political reasons are very clear: we have two governments which impede each other's labour market initiatives. The best example of this inefficiency, my colleague the member for Trois–Rivières referred to it, is of course the existence of two manpower centre networks, which cancel each other's initiatives.

Let me just remind you that Ottawa administers just as many programs as Quebec does. Quebec has approximately 25 programs to put people back to work and so does Ottawa. What this means is that if the people that we, as members, meet in our constituency office, and I am sure that this happens to you too, are UI recipients, they are eligible for some programs, but if they receive income security benefits, they are eligible for some programs but not for others.

• (1150)

I believe we are mature and lucid enough as parlementarians to say that we must aim at having only one government that will control all powers and levers in order to help put people back to work, and take them out of that unacceptable situation called unemployment.

This decision, this wish, is incompatible with the existence of two governments and it is certainly incompatible with the fact that two governments can each have 25 programs without any coordination between them. Instead of proposing what all important stakeholders in Quebec are asking, that is that the federal government pull out of the labour sector, this government has the nerve, the irresponsibility and the irreverence to give us a bill, Bill C–96, which increases the powers of the minister in labour matters.

Can you imagine such a situation where all Quebec stakeholders are asking for one thing, and the Government of Quebec is incoherently saying the exact opposite? We must not forget that the social cost of unemployment has been evaluated and I am

convinced that all parliamentarians are concerned about this situation.

I would like to remind you that we have, in Quebec, a very respectable and respected organization called the Forum pour l'emploi. Of course, this employment forum expressed the wish to see all manpower policies transferred to Quebec, but it also analyzed the social cost of unemployment. It estimated that—I know this will give you quite a shock, so I will say it slowly—the economic cost of unemployment for 1993, that is 1993 A.D., not 200 years ago, was about $30 billion.

This means that, because the government is perhaps considering maintaining a duplication of structures, our society has to put up with a shortfall of $30 billion. That is the reality. That is what is unbearable with Bill C–96. Not only will the government not respect the consensus that exists in Quebec, it included in the bill provisions that will allow it to disregard the authority of the Quebec government and give direct funding to organizations like CDECs or direct it through other channels for the delivery of manpower related services, all this without going through the principal stakeholder, the Quebec government.

But this will not last long. Something will happen soon. There will be a grass–roots movement. People will take to the streets when they realize that we cannot support inefficiencies, that there is no reason to tolerate unemployment rates of 11, 12 or 13 per cent, when other western societies are able to give work to everybody.

Since you are telling me that my time is up, Madam Speaker, I will conclude by saying that this bill in unacceptable and that we hope that the government will see the light and respect Quebec's jurisdictions.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, it is a pleasure for me to make this speech immediately following the remarks of the hon. member for Hochelaga—Maisonneuve. I listened very carefully to his remarks and now I would like to rectify a few things. I would like to show all our colleagues in this House, particularly members of the Bloc, that the adoption of Bill C–96 is part of a process that favours change and that supports the concept of partnerships with the provinces.

The leader of the Bloc said himself a while ago that he favoured change but wanted an agreement with the other provinces. I think this bill is very much in line with this idea. There is a partnership between the federal government and the provinces and, of course, there is change.

• (1155)

Any motion aimed at delaying the adoption of this bill seems negative to me and, unfortunately, opposition members sometimes take a negative and very partisan attitude. This is the opinion I have of the members opposite. They are not as objective as some of us are. The bill we are proposing is about greater openness towards the provinces and a better sharing of responsibilities.

As the parliamentary secretary to the Minister of Foreign Affairs, the member for Parkdale—High Park, said so eloquently in the House and I quote: "Bill C–96 is not changing any statutory powers". Listen to this, Mr. Speaker. It comes from an authority on the subject. "It is not taking any powers away from Quebec or from any other province. This bill seeks to enable us to work together in order to deliver programs and services more efficiently at less cost to the taxpayers".

And now the member for Hochelaga—Maisonneuve is saying that the bill is useless unless it gives new legislative powers to the federal government. How can a member of the Bloc who favours decentralization oppose a bill because it does not centralize enough? He just told us that the bill is useless unless it provides for more centralization. The member may be a centralizing separatist, but not me.

We, in the Liberal Party, are in favour of a flexible federalism and, in this bill, we simply want to confirm the fact that there is now a minister who is responsible for several federal departments. This does not take any powers away from the provinces. Quite the contrary, this bill gives no power to the federal government that it did not already have, except that from now on these powers are in the hands of one minister instead of several.

Our government is deeply committed to reducing spending, and this is why we wanted to reduce the number of ministers and consolidate some of the existing powers and federal departments. The powers transferred to the minister of Human Resources Development are not those of provincial ministers but they are part of powers that other federal departments already had and they are being consolidated.

I know that the hon. member for Hochelaga—Maisonneuve wishes to hear what I have to say and that he will listen carefully to my speech, so that he can be well informed and can vote for Bill C–96. I know that after hearing what I have to say he will be able to change his mind. As I look at the hon. member for Hochelaga—Maisonneuve at this very moment I have no doubt that he is in the process of changing his mind. He may even be off to reconsider his position on the bill.

So, to put the excellent words of the parliamentary secretary I referred to earlier in a perspective even closer to reality, he declared that the Bloc members began by saying that the referendum had sent a clear message to the federal government. A very clear message indeed. It showed that a majority of Quebecers do not want separation. The parliamentary secretary went on to say that this was the clear message we received and that we had to work with that in mind.

This is what we intend to do and therefore we will respect, as we always have, the will of the people of Canada and, in particular, of Quebec. This is why we continue to offer good government to Canadians—those who live in Quebec and those who live elsewhere, of course.

• (1200)

A few days ago, on November 20, 1995, the Parliamentary Secretary to the Minister of Foreign Affairs, said: "I draw the attention of the official opposition to recent post referendum polls, which state that 61 per cent of Quebecers want to remain in Canada and 78 per cent of Quebecers want to see major changes to the way the Canadian federation works". People want functional changes while remaining in Canada. That is what Quebecers want and we, of course, intend to respect that.

Today, we have before us a bill whose purpose is not to centralize but to consolidate into one department the work being done by different federal departments in order to improve government operations and to cut costs. "It is through bills such as this that hopefully through provincial federal co–operation we can get more people to work", said the hon. member for Parkdale—High Park.

On November 9, the Minister of Human Resources Development clearly addressed one of the essential impacts of this bill. He said and I quote: "— one of the direct results of the department will be to give far more space for provincial governments to begin to make decisions at their level of responsibility and jurisdiction. The time has come for us to take a much closer look at the respective roles and to build bridges to bring us together". That is what the minister said.

The opposition saw or pretended to see in Bill C–96 a move by the federal government to take over new powers. According to them, it is an intrusion in a provincial jurisdiction. In fact, the member for Hochelaga—Maisonneuve spoke to it earlier, and I know he is listening carefully.

The reality is quite different. For instance, one must examine the exact wording of clause 6 of the bill, which is in fact a restrictive clause. It sets limits to the powers vested in the minister by the bill. It clearly says that the only issues concerned are those under the jurisdiction of Parliament. Again, the only issues concerned are those under the jurisdiction of this Parliament, period.

This clause applies to everything under the authority of the Department of Human Resources Development. Any existing statutory power will remain exactly the same after this bill is passed. I repeat for the member for Hochelaga—Maisonneuve, the same.

There is definitely no intrusion on areas of provincial jurisdiction: the bill forbids that. It is crystal clear. That being said, I am sure—maybe not sure, but I hope—that the Bloc members will change their mind and vote for the bill. I already see in the eyes of some of them that they are tempted to change their mind and suddenly vote for such a good bill.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, when I hear the member for Glengarry—Prescott—Russell telling us that it is crystal clear and explaining things at great length, with a certain sense of humour, I feel that, after all, the problem might lie in the very objective way he is looking at the situation, a liberal and objective way, I might add.

I will use the next few minutes to explain to my "objective" colleague a number of facts which might help him understand our huge reservations—I am quite sure that he is listening very carefully to my remarks and that he will take them into serious consideration.

Instead of being part of the solution, Bill C–96 makes the problem worse.

• (1205)

Indeed, far from heralding the withdrawal of the federal government from manpower training, Bill C–96 reinforces the federal presence in this area. Duplications and inefficiencies resulting from this bill will grant the minister new powers, whether the objective member opposite likes it or not, new powers to negotiate directly with local governments or agencies, bypassing the provinces, which will enable him to set directions, standards and outcomes unilaterally.

The honourable government whip told us that clause 6 did not provide for new powers and that it defined and restricted them. Well then, let us have a look at clause 6. It reads:

> The powers, duties and functions of the minister extend to and include all matters over which Parliament has jurisdiction—

Tell me, Mr. Speaker, is there any matter over which Parliament does not have jurisdiction, and which would not come under the laws of the land? Whatever goes on from sea to sea is regulated by this country's legislation and, consequently, is a matter over which Parliament has jurisdiction one way or another.

Not only are they not restricted, but they are incredibly increased. In fact, the powers, duties and functions of the minister are quite broad. Moreover, contrary to the present legislation, they are not specified, and we know that the federal government has a habit of intruding on matters of provincial jurisdiction. Therefore, there is cause for concern when you see the numerous jurisdictions of Parliament.

Let me quote the description of Human Resources Development Canada which is found in the Budget Plan tabled on February 27, 1995. It says: "Human Resources Development Canada administers unemployment insurance, income security programs for children and the elderly, the current federal

programs of support to provinces for post–secondary education and welfare, labour market adjustment and social development programs, and student loans."

What we see today, with Bill C–96, is a strengthening of the federal government's hold on each of these areas and on all of them collectively. I was listening earlier to the member who expressed some deep feelings about this. I remember that the Minister of Human Resources Development has told us repeatedly that we simply did not understand that things would be better. It seems the only ones who are optimistic about Bill C–96 are the government party and the minister.

I would like to refer to a press release issued by the Institut canadien d'éducation des adultes on October 5, 1995. It says that the Board of directors of the ICEA, formed of academic, labour and community representatives, is unanimously opposed to Bill C–96. The organization invites all its partners to mobilize and denounce this bill which undermines the equity principle governing our social security system in Canada and denies the exclusive jurisdiction of provinces over manpower training and development.

It is not a sovereignist institute from Quebec which says that, it is the Institut canadien d'éducation des adultes. It seems that only the minister and the cabinet believe that Bill C–96 is a good thing. No, it is not a good thing. The same press release says: "Bill C–96 is, for the most part, one of the worst scenarios, something that our Institute denounced last fall, during the hearings of the Standing Committee on Human Resources Development." This indicates not only that the minister consulted, but that he was told that this was the worst thing to do. And yet, he went ahead and did it.

I would also like to mention the position of the Quebec government, because I believe that our viewers should know what Quebec thinks of this intrusion.

• (1210)

Mrs. Harel, the Quebec Minister, said: "When you read Bill C–96, you understand why the federal Minister of Human Resources Development did not respond, last spring, to my pressing demand for a federal–provincial conference on this reform. The bill is the opposite of the Quebec consensus on manpower. The opposite of the single window principle. This is proof that the federal government is committed to continuing and even increasing the costly duplication and overlap in the area of manpower in Quebec".

So, when the minister tells us, as he did during Question Period, "I consulted, I went to see my counterparts in the other provinces", we can only say that as far as the Quebec minister is concerned this was not the case. Once again, we have a minister who is intruding on provincial areas of jurisdiction and in particular Quebec jurisdiction, in a dangerous manner.

I would also like to mention the SQDM. Yesterday during Question Period, the Minister of Human Resources Development said that during the summer he met, through officials, with representatives from the SQDM and that agreements had been signed. He implied that everything was fine. Yet, nothing could be further from the truth. On October 4, 1995, the SQDM stated its position on Bill C–96 in a press release and I quote: "The board members of the Société québécoise de développement de la main–d'oeuvre ask the federal government not to set up a parallel structure of partnership and not to take initiatives overlapping Quebec jurisdiction in the area of manpower development".

Bill C–96 has catastrophic consequences. Starting with Mr. Valcourt, a former minister in the previous federal government, and now with the present minister, we are headed toward disaster in the area of manpower management.

In fact, in his recent report, the auditor general mentioned that job creation through the manpower development programs of our Canada Employment Centres was more costly in Quebec than elsewhere. Why? Why is it that the federal government is less efficient in Quebec than elsewhere? Simply because it stubbornly refuses to give Quebec all of the powers in this area.

To conclude, I would like to give specific examples affecting ordinary people. We are not talking about a piece of paper called a bill, but about real people suffering through real unemployment.

A few weeks ago, a woman who wanted to start her own business dropped by my office. There is a program called Self–Employment Assistance which would have allowed her, because she was receiving unemployment benefits, to start a business, to create jobs. Believe it or not, there is just enough money in this program to satisfy a handful of individuals in my own riding, and she was told to look for a job rather than to create one since, if she created one, she would no longer be eligible for unemployment insurance benefits. That is the great way unemployment is being perpetuated in Quebec. We prefer to give money to people to do nothing rather than help them create jobs for themselves and for others.

I will conclude on this note: I look forward to the day where a minister will have the courage to tell his or her civil servants that the federal government will no longer interfere in the manpower area in Quebec and that it is going to give the province all of the powers in this field, which will result in huge savings. We will, at last, be able to create the jobs that everybody needs.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, as the saying goes, the proof is in the pudding. Let me tell you that I believe this holds true for what the Chrétien government intends to do with regard to social program reform, especially unemployment insurance.

Contrary to the fine promises which were uttered hand on heart, contrary to the statements of love and respect made in a none too subtle way in Montreal, the federal government is preparing to circumvent the will of Quebecers in a vital sector, that is to say training and labour programs.

• (1215)

Once again this government, which claims to be in favour of a decentralization of powers, is preparing to grab greater powers by means of the administrative restructuring of the Department of Human Resources Development Canada, which is the purpose of Bill–96.

Unfortunately this is not a coincidence, since the same thing happened with other departments. This is the case for example of the Department of Health and the Department of Canadian Heritage. I have already condemned the same underhanded tactics used by the government in those cases.

In the bill before us, that deals with the Department of Human Resources Development, the minister gives himself an enormous power that will extend to all areas relating to manpower.

As we are now able to really identify the government's huge appetite, members of the Bloc Quebecois want to alert public opinion in both Canada and Quebec. Bill C–96 contains a key section, that is, clause 6, which reads as follows:

> The powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction relating to the development of the human resources of Canada not by law assigned to any other Minister, department, board or agency of the Government of Canada, and are to be exercised with the objective of enhancing employment, encouraging equality and promoting social security.

This clause contains all the potential sources of major conflict between the provinces and especially between Quebec and the federal government. Indeed, it is important at this moment to go back in time and to point out clearly that the federal government, after some unfortunate procedures before the Privy Council and to the great displeasure of the provinces, obtained constitutional jurisdiction over unemployment insurance only. It is because of its strange and omnipotent spending power that it has invaded manpower training and that it now wants to get into the field of equality and social security.

I am not making this up; it is clearly set out in clause 6 of the bill. This further intrusion is very badly orchestrated and has been denounced by many stakeholders, both sovereignist and federalist, such as the Société québécoise de développement de la main–d'oeuvre, the Canadian Labour Congress, the Canadian Institute of Adult Education and the Quebec Minister of Employment.

I would also remind the House that, historically and constantly, all Quebec spokepersons on this issue have denounced federal interference in manpower training. What will provincial organizations and governments think of this new federal intrusion on an exclusively provincial jurisdiction? I am sure that reactions are currently negative, will be negative and will soon be made known. They will follow Quebec's claims. Will they have the good fortune of influencing the direction that the current government has set for itself? I have my doubts about that. This is a very unfortunate situation because this new constitutional snag goes against the interests of the population.

In a document called "Un Québec pour l'emploi", which he published this year, Pierre Paquette analyzes the requirements for a full employment policy in modern Quebec. Mr. Paquette, who has been secretary general of the CNTU for five years, has also sat on the board of directors of the Economic Council of Canada and on committees to kick–start the economy and stimulate employment in the southwest and east ends of Montreal. He identifies three major elements of a comprehensive employment strategy.

The first element is all the actions that have a bearing on economic growth factors, including both individual corporate policies and social economic policies affecting all of society as well as the international community. The second element is the link between sectoral and regional development policies as part of an industrial policy. The third and last element stresses the importance of implementing a whole series of active manpower initiatives including professional training, placement, specific measures for disadvantaged groups and regions, and reducing the number of hours of work in all its forms.

You may have noted that all these areas come under exclusive provincial jurisdiction. Mr. Paquette goes on to say, "Effective implementation of a comprehensive full employment strategy requires a strong social consensus. In this regard, it is hard to imagine how the various social stakeholders across Canada could agree on the implementation of a full employment policy".

• (1220)

This conclusion is clear and explicit. As we have said a thousand times in this House, there is a consensus in Quebec that this government persists in ignoring with impunity.

The people of Quebec reject Bill C–96. They reject this counterproductive approach, which, far from giving them concerted access to the work place, keeps them a little further away.

In closing, I would like to make a suggestion to the government, which, until the next referendum on Quebec's future, will at least allow the people to benefit from their contributions to both levels of government.

I would suggest that the federal government should withdraw completely from all employment, manpower, social assistance and training matters. At the same time, I would suggest that the federal government should transfer to the government closest to the people, the provincial government, the money needed to put in place a real full employment policy, as the Quebec government wishes. This will demonstrate concretely the government's commitment to the equality and social security it refers to in clause 6 of its bill. I thank you and I hope that this government has heard my message.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the federal government promised Quebecers that many things would change if they voted no in the October 30, 1995, referendum.

A mere three weeks after the referendum, Quebecers are already getting a taste of changes to come as the Minister of Human Resources Development presents Bill C–96 to merge four departments into a single one. But at the same time, as could be expected, he gives himself broader powers, continues to invade provincial jurisdictions and goes against the quasi unanimous consensus in Quebec on this issue.

Back in 1991, the Bourassa government wanted Quebec to be responsible for all expenditures relating to manpower development, including training. At the time, Mr. Bourbeau, the minister responsible, had written his federal counterpart a very clear letter on this subject.

Time and time again, the Quebec national assembly requested almost unanimously that Ottawa withdraw from this provincial area of jurisdiction. After this bill was introduced, several major stakeholders in Quebec made representations against the HRD minister's centralizing designs. For example, the Société québécoise de développement de la main–d'oeuvre takes issue with the government repeatedly trying to interfere in provincial areas of jurisdiction.

According to the SQDM, clauses 6 and 20 of Bill C–96 would empower the Minister of Human Resources Development to enter into agreements with a province, a group of provinces, agencies of provinces, financial institutions and such other persons or bodies as the minister considers appropriate, to improve the labour market and promote equality and social security.

In so doing, the minister blatantly violates provincial jurisdiction and goes directly against Prime Minister Chrétien's promises of decentralization during the referendum campaign. These promises were short lived. When questioned on this by the Bloc Quebecois, the minister said, with rare degree of arrogance, that the opposition had obviously not even bothered to read the bill.

• (1225)

Not only must this bill be read line by line, it must also be read between the lines. One must do more than read the bill, and when that happens, one realizes that it is totally different from what it appears to be, because it allows the federal government to interfere in areas of provincial jurisdiction.

In response to another question from the Leader of the Opposition, the minister answered that he felt that the hon. member had strayed substantially from the line of logic and reason. That attitude shows clearly that the minister does not understand the issue and that he insults every Quebec stakeholder opposed to the new bill.

Even the Conseil du patronat, and this is quite something because this staunch supporter of federalism rarely agrees with the Bloc's philosophy, is asking the minister to amend, if not withdraw, Bill C–96.

With the rapid development of new technologies and the globalization of markets, Quebec industry must quickly adapt to meet the new challenges of the world economy. Manpower training plays a vital role in ensuring that our workers are familiar with state–of–the–art technology and can meet the needs of the Quebec labour market.

Currently, there are close to 70,000 jobs which are available in Quebec but remain unfilled because adequate occupational training has not been provided. The Quebec government recently introduced legislation to encourage companies to offer more in–house training.

However, a lot remains to be done and, without total control in the sector, the provincial government cannot properly meet the expectations of the Quebec labour market. The federal and provincial governments are always competing to show workers which of the two levels of government can best meet their expectations and aspirations.

When this happens, it costs millions of dollars in unnecessary duplication. Such duplication costs several hundreds of millions in the manpower training sector, and that is a real shame. For example, in the Eastern Townships, for every dollar spent on manpower training, 42 cents go to administrative costs. Over 40 per cent, more specifically 42 per cent, of the amount which should be used for manpower development is used instead to pay for course organization, promotional efforts and course delivery. Forty per cent of every dollar spent. This is an incredible waste of energy and money.

Unfortunately, Quebec workers are the ones affected by the stubbornness of the federal government and of its Minister of Human Resources Development. Moreover, since the 1990 UI reform, the federal government has been making extensive use of the UI fund for training purposes.

• (1230)

In 1994–95, $531 million was spent for this purpose. The federal department now offers 27 initiatives or programs, most of which create duplication with the 22 programs offered by the SQDM and others offered by various departments.

In 1994, the federal government announced the creation of Youth Service, at a cost of $175 million. This program is entirely comparable to the Volunteer Youth Action Program, which is efficiently run by the SQDM. In spite of repeated demands by the Quebec government, the federal government keeps refusing to transfer funds into the provincial program, thus wasting money because of duplication.

Another equally pathetic example is the federal program that matches another similar Quebec program called Jeunes stagiaires. The 50 Canadian sectorial skills council, set up in 1992, are another case of duplication, considering the 15 Quebec manpower sector committees which have been in place for more that five years. The federal government will spend more that $250 million to set up its own councils. Finally, because of the rigid standards for POWA, the federal government has failed to compensate many garment sector workers.

In view of the difficulties some workers were experiencing, the Quebec government, through the SQDM, had to step in to make up for the federal government's shortcomings. Here again, we have duplication. What a waste of money and time. The cost of all this duplication is estimated at $250 million a year. That is poor management and poor efficiency.

In conclusion, I would say that federal intrusion in the area of human resources development since 1942 is one more example of the government's abuse of the spending power and of its disregard for the exclusive jurisdictions of the Quebec government. Constitutionally, the provinces have exclusive jurisdiction over manpower training, but, to this day, the stubbornness of the federal government still undermines the development of the Quebec economy.

Vocational training is the cornerstone of competitiveness and availability of highly skilled workers, two assets that are essential if we are to develop a high technology economy, attract many investors and produce value added goods.

The minister and his government should stop all this nonsense and give back to Quebecers all the tools they need to develop manpower training. Bill C–96 should therefore be withdrawn, and the Prime Minister should start to deliver on his decentralization promises in areas where a strong consensus exists in Quebec.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, not long ago, I read the speech the Minister of Human Resources Development made during second reading of Bill C–96. This bill, entitled an Act to establish the Department of Human Resources Development and to amend and repeal certain related Acts, certainly stems from a noble intent.

In reading this speech, I felt a significant change had been made to the usually model and edifying Liberal speech dished out to us to get us to swallow the pill. The minister said, and I quote: "a new, innovative way of doing government, to get people to begin to think differently about how government can relate to individuals, to provide a much more effective way of enabling people to respond and make choices themselves and not have choices made for them, to share, to create partnerships, to get away from the top down command system and to turn that into a Canadian Tire philosophy based in the local communities with tools and instruments customized and tailored to the needs of those communities".

One could think that the minister is talking about real decentralization and is about to comply once and for all with the repeated and urgent requests of the province of Quebec for control over the policies and programs concerning manpower and training.

• (1235)

However, the minister warned us right from the start. "It is, he said, decentralization of a very different kind".

The minister then said: "There has been a lot of talk about decentralization. So far it has been a somewhat restricted debate as it talks only about decentralization in terms of transferring from the federal government to provincial governments." And this is very significant. The message here is clear. The kind of decentralization the minister is bragging about has nothing to do with Quebec's expectations and ignores the consensus that was reached in Quebec over manpower training.

Let us look at this a little bit closer. Even though the prime minister told us, in answer to our questions, that the official opposition had obviously not bothered to read Bill C–96, we have to conclude that several individuals, institutions and organizations in Quebec are really ignorant, according to the prime minister. Unfortunately for him, the people of Quebec also know how to read between the lines.

It is appalling but not really surprising to see that Bill C–96 goes totally against the large consensus reached in Quebec over manpower issues. For several years now, all those involved in Quebec's labour force have agreed to demand the repatriation to Quebec of all manpower training programs and of the related budgets.

Far from abiding by this unanimous consent, the federal government has announced its intent to continue with and even increase all of the costly duplication and overlap. Once again, the Liberal government ignores its own basic rule. Yet, the Canadian Constitution of 1867 recognizes clearly and explicitly the areas of provincial jurisdiction. But for years now the federal government has been using its spending power and its authority to impose national standards and to infringe upon the jurisdictions of the provinces. All that Bill C–96 does is legalize a de facto situation.

Whatever the Prime Minister says, we did read this bill, and it was easy for us to grasp its real intent. For example, clauses 6, 20 and 21 are unequivocal.

Clause 6 aims at extending federal jurisdiction by expanding the powers, duties and functions of the Minister. Clause 20 provides that the Minister may negotiate and enter into agreements with, and I quote: "such other persons or bodies as the Minister considers appropriate".

In the same vein, clause 21 reiterates that the minister may authorize any other person or body to exercise any power or perform any duty or function of the minister.

All that to make sure we understand that the minister has no obligation to consult or agree with the provinces in precise areas of provincial jurisdiction.

Indeed, from now on, according to Bill C–96, the department of Human Resources Development will be authorized to by–pass the provinces and impose manpower standards and policies. It will be able to develop a parallel federal structure to intervene on the Quebec labour market.

The federal government is empowering itself to by–pass the provinces and to intervene directly with bodies, municipal governments and individuals. While the Constitution gives provinces power over manpower development and vocational training, the federal gouvernment has chosen to ignore it.

So history repeats itself. It will be remembered that, in 1991, the previous Conservative government tried to encroach upon provincial jurisdiction and directly interfere in matters regarding vocational training and manpower. Once again, Quebec unanimously denounced these centralizing and unconstitutional moves by the federal government.

The Quebec Liberal Party and the Conseil du patronat du Québec added their voices to this denunciation. The same centralizing designs, which are spelled out in Bill C–96, are now giving rise to the same denunciations everywhere in Quebec. The initiative is, however, more subtle this time, because it comes a few days after the referendum.

• (1240)

While the Liberals spoke of nothing but change during the referendum campaign, they are now, with Bill C–96, attempting further intrusion in the area of training.

Canadian provinces have different labour markets. A centralized and uniform approach would hardly help anyone. The result would be more red tape, as my colleague for Joliette clearly demonstrated earlier.

Let us not forget that Quebec already has established manpower networks. The Société québécoise de développement de la main–d'oeuvre is a special form of partnership involving all Quebec stakeholders in manpower matters, whether they are employers, unions, co–operatives, educators or community groups. Quebecers know better than anyone else what is good for them. Quebecers must decide what their manpower policies should be and set their own priorities.

This is not a symbolic demand or the confirmation of a historic right. It is only a matter of good old common sense for those who take to heart the promotion and the support of manpower development. If there really is a will to change and to decentralize in Canada, as we were told during the referendum campaign, this is the time for the winds to blow.

If Bill C–96 is a proof of the flexibility the Liberal government boasts about, if it is indicative of the rejection of, and I quote the minister of Human Resources Development, "the old top down centralized hierarchies of governmental organization, which have been really a product of the old industrial age", then, it is a total failure.

Bill C–96 sends a clear message to the Quebec Liberal Party, to the Conseil du patronat and to all other partners in the field of employment in Quebec, and it is that the federal government will never accept that Quebec assume sole responsibility for manpower training within its territory. Ottawa will never accept either that Quebec repatriate the funds that the federal government allocates to manpower training programs. Quebecers will clearly see that it is impossible to develop a Quebec manpower policy suited to its realities and administered by Quebec if they stay in Canada. That will only be possible in a sovereign Quebec.

Therefore, I urge all members of Parliament who really care for the improvement of relations between the two founding peoples of this country to support the amendment proposed by the hon. member for Mercier and to vote against Bill C–96.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, in fact, the bill has nothing to do with jurisdictions. It has everything to do with people. It is aimed at helping Canadians and, of course, Quebecers in remote areas to find jobs.

The bill is designed to allow young people, older workers, single mothers and low income individuals to acquire the skills they need in our ever–changing economy. It is also aimed at bringing communities, businesses and all levels of government together to look at the human aspect of regional economic development.

This means that other forms of agreements and partnerships between the federal government and the provinces are possible. Quebec talked a lot about partnership during the referendum campaign and we are willing to go in this direction. As a matter of fact, partnerships with local and regional economic develop-

ment authorities in the area of social and labour programs are highly desirable. That is certainly the way to go.

If we really want to pursue this discussion in a positive manner, it is important that we adopt this bill now and start working towards establishing new and improved partnerships with one another.

While some members are worrying about the federal government taking powers away from the provinces, the Department of Human Resources Development is doing its job with Quebecers and, of course, with the Quebec government. Using jurisdictional considerations as an excuse, members of the Bloc want us to do nothing. Let us say this: in the name of the progress and of the changes that are obviously wanted in Quebec, let us find better ways of doing our job.

• (1245)

Canadians, as well as Quebecers, are well aware that the federal government has a legitimate role to play in development and manpower. So let us get things straight.

We had a case, the other day, that showed the urgent need for federal involvement, through its agencies, its community development organizations, which play an active role in every regional county municipality and through the Federal Office of Regional Development, which is always there to give a welcome and desirable helping hand to stimulate small businesses in Quebec. There are other examples, such as the Federal Business Development Bank. When there is a need for a partner to set up a small business in Quebec, especially in remote areas, this additional financial help from the federal government is always welcome.

I would like to talk about a particular case that occurred in my riding a few weeks ago. Throughout the referendum campaign in the riding of Bonaventure, the minister of agriculture, who happens to be my provincial MNA in Quebec City, asked for the participation of the federal government in order to stimulate, or create, if you will, a dairy industry in the Gaspé Peninsula. Following pressure from this minister, it was agreed that the federal government would invest in the establishment of a cheese–making operation in the region. Now, the day after the referendum, that very same minister who had challenged us to invest reneged. He decided, on the basis of provincial programs and on the advice of his provincial bureaucrats, that the agreement was no longer valid. I find this most unfortunate, but fortunately the federal government remains present even if the Government of Quebec went back on its commitment to develop an important industry in Quebec, and especially in my region, which is said to be a depressed area.

The federal government is also committed to helping people who are victims of particular circumstances that do not apply only to one province. This is the case of senior workers whose jobs are being jeopardized by the restructuring of the economy. It is also the case of some workers in fisheries. We have all heard about TAGS. In Quebec $100 million was spent to support those who were hard hit by the moratorium. There are still considerable investments being made to find new markets for underdeveloped species. As we know, however, fortunately it is the federal government that manages fisheries in the Gulf and elsewhere, but once the catch gets to the docks it is the responsibility of the province from then on. It is then up to Quebec to issue fish processing plant operating permits. Unfortunately Quebec is still refusing to invest the amounts necessary to give our local entrepreneurs a chance to diversify production, particularly of underdeveloped species such as mackerel and herring.

There are lots of similar examples in Quebec, unfortunately demonstrating Quebec's intransigence and the fact that it is not necessarily attuned to the true needs of the population. When I heard the opposition saying "All we want is decentralization, all we want is for Quebec to make a final decision", were they referring only to the SQDM? Mention has never been made of the fact that there are people who are what the Bloc would probably call "Quebecers of the majority", old–stock Quebecers, working for the federal public service, who come from the Magdalen Islands, Bonaventure of course, or elsewhere in Quebec, and that these people are seeking, not only as federal employees, but as concerned individuals, to provide the public with proper services.

• (1250)

And in all the speeches I have heard this morning, not a single member of the Bloc, not a single member of the opposition, came forward with a good idea. The only thing that was said is that everything happening in Quebec at this time is the federal government's fault. What I find regrettable, however, is that no one is listening to the voice of the people. There is already talk of a third referendum in Quebec. Mr. Speaker, let me state here to you, here before my constituents, before eastern Quebec, before all Quebecers, that the winning side this past October 30 was the no side.

I believe that what will be expected of the outgoing Leader of the Opposition, when he is premier of Quebec as he surely will be—and let me, in passing, wish him luck—is a commitment. He must make a commitment. In fact, he did, and people in the PQ government have announced they are prepared to work together with the Canadian government. I think Quebecers are fed up with constitutional discussions that fail to provide any answers. We want to put Quebecers back to work, and this will happen within the Canadian federation.

Throughout the referendum campaign, we made it clear that if Quebec left Canada it would lose several billion dollars worth of federal investment. Losses would be considerable and would be felt by everyone, but especially by the most vulnerable people in the province of Quebec. I think we have reached a point in our history where we should look at what we have in common,

instead of being divided and dwelling on the past like the Leader of the Opposition did throughout the last referendum campaign.

I challenge the future Premier of Quebec and members of the opposition to lay down their arms and say: "We are willing to work with everyone. We are willing to work with the federal government, the municipalities and, of course, the other provinces". I think it is really too bad that the Quebec government, which claims to be anxious to promote regional economic development, tends to boycott agreements and federal–provincial meetings and conferences.

I think that is too bad, and it is unfortunate that in several sectors, including fisheries and agri–food and agriculture, we see this refusal to meet Minister Tobin and officials and ministers from the other Canadian provinces. I think the Quebec government and especially members opposite will have to consider that people want development, but not if it means Quebec has to separate, not if it means breaking up and destroying the country.

I think that people, especially in Quebec, want to build a fair and credible society, and this will happen within the Canadian federation. In concluding, I would urge opposition members to suggest alternatives, to work with us, but even more important, to work with and for their constituents. I am convinced and confident that their constituents feel it is up to them to work with us to strengthen the economy of Quebec and Canada.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, before he leaves, I would like to congratulate the member for Bonaventure—Îles–de–la–Madeleine for having successfully enlivened the debate this morning to some extent on that side of the House, because, up to now, things were pretty quiet.

Mr. Gagnon: True. True.

Mr. Dubé: He encouraged us to pay attention to and analyze the outcome of the referendum. I would like to return to his recommendation, and look at the outcome of the referendum in his riding. In his own riding—Bonaventure—Îles–de–la–Madeleine—as he knows, it was not the no vote that won, but the yes. So, if he truly spoke for the people of his riding, he would be saying something different. It appears he did not listen carefully. Too bad for him.

I, however, remember. I have listened carefully to most of the speeches by the member for Bonaventure—Îles–de–la–Madeleine. I remember him from when I was a brand new member. There was a debate on the famous ferry that would run between the Magdalen Islands and Prince Edward Island. The solutions proposed by the Government of Quebec were not particularly to his liking. He said: "I will listen to what my people have to say, and, you watch, we will come up with a solution".

• (1255)

The solution the federal government came up with was to buy a secondhand boat from somewhere else, rather than have a new boat built. Since then, the president of the Société de transport des Îles–de–la–Madeleine has been running around after secondhand boats, with $30 million of federal money. Recently, someone said on his behalf, a representative of the Société said: "Unfortunately, the federal government took so long in the matter, I missed an opportunity. The boat was sold elsewhere. There are no more secondhand boats for sale".

Meanwhile, I know, because we are talking about real problems, we are not talking Constitution, we are talking jobs, I am the member for Lévis, where the Chantier maritime de Lévis is located, and where workers at MIL Davie remember what the member for Bonaventure—Îles–de–la–Madeleine said: "A second hand boat rather than a new one". Hundreds of unemployed workers remember that.

I listen to them and I say to the member, because sometimes we have to raise our voices so the member opposite understands: Not only did you not listen to the people of Lévis, you did not even listen to the people of the Magdalen Islands.

Before you warn me about the relevance of my remarks, Mr. Speaker, I will return to Bill C–96.

The Acting Speaker (Mr. Kilger): I simply want to put you at ease. It has nothing to do with relevance. You should, however, always address your comments to the chair, and not directly to each other.

Mr. Dubé: Thank you, Mr. Speaker. You understand that we cannot always resist temptation. I have every intention of following your rules, which I graciously accept because of my great respect for your position.

The hon. member for Bonaventure—Îles–de–la–Madeleine, for example, wonders what the official opposition is worried about, arguing that this bill will not broaden the human resources development minister's jurisdiction.

Not only is the hon. member for Bonaventure—Îles–de–la–Madeleine not listening, but he has apparently not read the bill. What does the bill do? It expands the Department of Human Resources Development. It must be realized that, if we take away the money allocated to debt servicing, it almost exceeds 50 per cent of the federal budget. That is quite something.

It includes the old employment department, the labour department. It is responsible for old age pensions. On this subject, I simply wish to remind the hon. member for Bonaventure—Îles–de–la–Madeleine about the debate surrounding the replacement of many employment centres with computer terminals.

As one who listens to citizens and to seniors in particular—and I know that all members on this side of the House have heard them—, I can tell you that they are concerned. They are not used to typing on computer terminals to get information. They are very concerned about this. The government is saying that they are moving their services closer to the people, but installing a computer terminal in a municipal location is not the way to go.

My main concern—and that is clear from the debate today—is that Bill C–96 will enable the federal government to deal directly with agencies and individuals in matters coming under the exclusive jurisdiction of the provinces like postsecondary education, security and manpower training. It is certainly not a case of jurisdictions being unclear.

The hon. member for Bonaventure—Îles–de–la–Madeleine suggested that we look ahead not back. I would actually encourage him to go back to the Canadian Constitution and read it over. The Constitution states that these areas are indeed areas of exclusive provincial jurisdiction.

The hon. member closed by saying: "Let the members of the Bloc Quebecois and the Parti Quebecois, the people of Quebec and the Société québécoise de développement de la main–d'oeuvre come and help us, the federal government, to do what we have set out to do, so that it can be better done, in partnership".

He got it all wrong. It should be just the opposite. The federal government should be the one trying to help provincial governments in exercising their exclusive jurisdictions. That is what decentralization should be about. It should not be about the federal government decentralizing its action by going over the heads of the provinces to deal with agencies, businesses and individuals. This is not decentralizing. It is by–passing, going over the heads of the provinces. That is not the same thing, and it certainly does not qualify as decentralization.

On the contrary, that is centralizing. You keep the money, spend it according to certain rules or national standards and go over the heads of the provinces to deal directly with businesses and individuals in areas of provincial jurisdiction.

• (1300)

The past often gives us an indication of what the future holds. I will not go very far back in time. I will focus on the past couple of years. As the opposition's critic for training and youth, I would like to remind the House of a bill I mentioned a number of times already to give you an idea of what the minister has in mind when he talks about decentralizing. I am referring to the infamous Bill C–28 that the House passed on June 23, 1994. What is so special about this bill that the Minister of Human Resources Development is responsible for? Subclause 3(1) states that, from now on, the HRD minister will designate himself appropriate educational authorities for the provinces, which flies in the face of the Constitution. I say it again because people have to understand. Over time, people may forget the connection between certain legislative measures passed by the government. Bill C–28 is an example of a case where the federal government ignored the provinces.

Subclause 14(7) states that Quebec can opt out, with financial compensation, like before, provided that its program meets every requirement and that each of its components is similar to that of the federal program.

The Quebec government is free to do what it wants and, yes, will even get money. However, that money, which, incidentally, comes from Quebecers who pay 24 per cent of their taxes to Ottawa, will be paid only if certain conditions are met. In other words, Quebec is free to do what it wants, but if it does not do this or that, the federal government will cut funding. What a nice way to view decentralization, in a field of provincial jurisdiction. Such is the spirit that guides this government.

I followed every initiative of the minister regarding his employment development strategy for young people. One must admit that, in two years, it has not met with much success. The figures for the last two months show that the unemployment rate for the under–25 group is exactly the same as it was two years ago, when the minister took office. This is quite the strategy.

My limited studies in political science taught me that a political or administrative strategy was good to the extent that it produced results. Otherwise, the strategy was not good and had to be changed. I invite the Minister of Human Resources Development to change his strategy for helping young people find jobs. At the moment, he is in the process of trying to duplicate Quebec provincial programs at the federal level. For example his Youth Service Canada is identical in every respect to the Quebec program Jeunes Volontaires. He has tried something involving work placements as well, but these are things that have already been done by the Government of Quebec and the Société québécoise de la main–d'oeuvre.

During the referendum campaign, Quebecers heard and saw all this, with training and employability enhancement programs that change daily, but the last time I looked there were 102 federal and provincial programs. The total has even gone as high as 108, but a few were combined after that. It is still a huge number, and people cannot find their way around all these programs.

A number of stakeholders in the Société québécoise de la main–d'oeuvre, including Mr. Béland, the president of the Confédération des caisses populaires et d'économie Desjardins du Québec, the FTQ, labour federations, and the Conseil du Patronat as well, have been unanimous in demanding that the federal government pull out of this area. Despite their repeated demands, however—and this is where there is a danger when it comes to public opinion—there is a certain fatigue setting in and the strategy of the government across the way, apart from

answering questions asked during question period, is to pretend that everything is rosy. No reaction. Total silence. No problem. With time, people are saying, "Maybe the Bloc MPs will get fed up. Anyway, it is a temporary party only". They are aware that we are in existence for a limited time, but the time is a bit longer than planned, and we continue to keep our shoulders to the wheel, to be vigilant, tenacious, persevering, keeping on our toes, and it is our intention to remain that way. We will continue until the Quebec consensus concerning manpower is satisfied with the federal government's actions.

• (1305)

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to join my fellow Bloc members in speaking to Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts.

As my colleagues explained earlier, this is an important bill. Last week when we were debating the amendment of the hon. member for Mercier, government members said that the bill simply grouped certain components without introducing any new elements. They told us not to worry. They said that the federal government would keep up the good work in the provinces and municipalities for the benefit of Canadians, and that basically, there was very little to get upset about. They assumed that the referendum was partly to blame that it was nothing very serious.

I would like to point out that the opposition of the Bloc Quebecois to this bill is fundamental. This bill goes to the very heart of a certain definition, a particular vision of Canadian federalism. First of all, the Department of Human Resources Development. As the hon. member for Lévis said earlier, this is a very important department. It is responsible for unemployment insurance, old age security, education and transfers to the provinces for social assistance, and it has a budget that is probably second only to the budget for servicing Canada's debt.

This department is a giant that is able to intervene in areas which it assumes are under its jurisdiction. It can intervene effectively because it has the resources. Over the years, the department has developed a mandate for intervention. Consider unemployment insurance, which required an amendment to the Canadian Constitution. Consider old age security, family allowances and federal assistance to the provinces for post–secondary education. Gradually, over the past 15, 20, 30 or 50 years, this department, or should I say its predecessor departments which it has now absorbed, have spearheaded a Canadian vision of social policy.

If we recall what happened when Canada was founded in 1867, simply put, there was a division of powers, as is normal under a federal system. The federal government had its powers and the provinces had theirs, and anyone who bothers to read the Constitution will see that areas with a more immediate impact on people, such as health, education, and social assistance, were a provincial responsibility, while foreign affairs, the economy, the armed forces and other areas of a more financial or economic nature were the responsibility of the federal government.

As I just said, over the years we have seen the federal government increasingly invade the jurisdictions of the provinces. So much so that today, we are considering a bill that will provide a rationale for the federal government's presence in provincial jurisdictions. I realize some people will say this may be normal, that federalism has evolved and change is necessary, that certain problems must be dealt with and that this should be done by the level of government best equipped to do so.

• (1310)

This is a bit what the bill says. The Minister of Human Resources Development may, at his pleasure, intervene, according to clause 6, in: "—all matters over which Parliament has jurisdiction relating to the development of the human resources of Canada". Admittedly, this is very broad. The department may enter into agreements involving employment, encourage equality and promote social security. In the present context, members will agree that this is very broad indeed.

We in the Bloc feel that the department is using this bill to acquire legislative jurisdiction to define policy in areas of provincial jurisdiction. What is the effect of the federal government's approach? It could be dramatic, given that Quebec, Ontario and the other provinces also operate in these areas.

The Government of Quebec is involved in health, education, social and employment matters in these jurisdictions. It has defined its programs. It has set up departments. It has activities planned in these areas. We note, in the bill before us, that the federal government is giving itself the right to intervene in these areas.

Perhaps it wants to intervene with the best of intentions, but, in practical terms, two levels of government are operating in the same areas with programs that often compete with or overlap each other. My colleague mentioned there are currently more than 100 programs, either federal or provincial, aimed at meeting objectives in the social, educational or employment fields.

So we end up with two levels of government that, in a way, knock each other out of commission, not out of ill will, but because of the very nature of the political structure defining the programs and objectives. What we see in Quebec, what I have noticed in my riding, is that there were provincial policies, co–ordinated primarily by the SQDM, the Société québécoise de dévéloppement de la main–d'oeuvre, and there were federal policies from the employment centres and the Department of Human Resources Development.

When we think about the section 25 program from unemployment insurance, the job readiness programs and the special programs of certain agencies to help specific clientele, we realize that everyone's intentions are good. However, we also realize there is often inefficiency, which the Minister of Human Resources Development himself admits. Yesterday, during question period, he in fact said that he wanted to make changes in Canada and in his policies, because he could see over the past two years that the policies were ineffective.

So we end up with two levels of government that, in a way, pursue ineffective policies, precisely because these policies overlap and cancel each other out. The Bloc Quebecois's argument against this bill is that there should be a single level of government dealing with these issues.

If we look at the Canadian Constitution, we see that these programs should come under provincial jurisdiction. So we in Quebec asked the federal government to withdraw from these programs and transfer responsibility to the Quebec government. The other provinces do not, of course, want these powers, but we in Quebec want to be in charge of these programs because of our history, because the Quebec government is the government of a people, a nation distinct from Canadian society.

This has been a Quebec demand for 30 years, going back to Mr. Lesage, Mr. Johnson, Mr. Bourassa, Mr. Lévesque. This is a constant demand. We have always come up against a brick wall. If the federal government had acted in good faith, Canada might have achieved some form of asymmetrical federalism allowing Quebec to put forward its policies and to feel respected, while the other provinces could have enjoyed greater centralization and carried out programs benefiting their labour force, something that we do not have in Canada at the present time.

• (1315)

This is the brick wall we have come up against in recent years, whether at the Quebec government or the federal government level. This situation has come about because the federal government has refused for 30 years to accommodate the specific demands made by all Quebec governments for 50 years, going back to Maurice Duplessis.

I call on all members to reject this bill at second reading so that the jurisdiction of each level of government in the Canadian federation can be respected.

Mr. Osvaldo Nunez (Bourassa, BQ): Thank you, Mr. Speaker.

Mr. Milliken: What a pleasure.

Mr. Nunez: If the hon. member opposite will give me a chance, I would like to take part in this debate today on Bill C–96 to legally establish the Department of Human Resources Development.

As I said in my remarks on November 20, this bill accentuates the federal presence by giving the minister new powers, including the power to bypass provincial authorities and negotiate directly with local authorities and agencies. I denounce, once again, the federal government's centralizing designs. As you know, there is a strong consensus in Quebec on the need to have control over manpower training programs. This is an area where there is a great deal of duplication and overlap, which is proving to be extremely costly and inefficient.

Just to show how inefficient the federal government is, and this department in particular, the report tabled by the Auditor General of Canada two days ago, on November 21, is very critical of the manpower training programs, describing these programs as ill–suited to industry's needs. An estimated 300,000 positions remained vacant every year between 1988 and 1990 because suitable incumbents could not be found, but the training programs offered by the department related to only 5 per cent of these vacant positions. To be facing that kind of a problem when unemployment is on the rise is incredible. The federal government's inefficiency and squandering in this regard has to be denounced. The Department of Human Resources Development spends $2 billion a year on manpower training.

The auditor finds that there is no systematic or global measure to deal with the situation.

I also want to point out that clause 6 of Bill C–96 authorizes the minister to bypass provinces and establish direct links with financial institutions, local organizations and such other persons or bodies as he considers appropriate, "with the objective of enhancing employment, encouraging equality and promoting social security". Moreover, the minister may authorize "any other person or body" to exercise his powers. That provision opens the door to the contracting–out and privatization of employment services, something which is already illustrated by the streamlining of the federal network of employment centres.

The bill also provides that the Canada Employment and Insurance Commission may "authorize any person or body—to exercise powers or perform duties and functions of the Commission". Under subsection 31(3) of the former act, the commission could delegate its powers only to members of its staff or, subject to the minister's approval, to members of the department. Thus, the commission will enjoy a power to delegate similar to that of the minister. This is the same minister who is

about to announce additional cuts of $1.25 billion in the UI program. That is a lot of money.

In spite of the fact that the public service, the crown corporations and the private sector are all experiencing cuts, closures and massive layoffs, Bill C–96 is silent on job creation.

• (1320)

Let me give a few examples of such cuts. First, by 1997, Bell Canada will have closed nine regional offices in Quebec alone. It also intends to close three auditing offices.

This company, which employs 46,000 people, hopes to lay off 10,000 of them over the next three years. A large number of these people are members of the Communications, Energy and Paperworkers Union of Canada. This is a 22 per cent reduction of the company's staff. Bell has 28,606 employees in Ontario and 17,300 in Quebec. It intends to reduce its staff through voluntary termination of employment, early retirement and outright layoffs. It should be noted that Bell cannot justify such major cuts, given the huge profits generated last year. Moreover, during the first six months of 1995, the company paid $35 million in dividends, which is as much as it did for the same period last year.

Recently, a group of Bloc Quebecois members, including myself, met with officials from the company and the union, here in Ottawa. We heard both sides. Following these meetings, I personally feel that these massive layoffs are totally unjustified, particularly since Bell is among the telephone companies employing the smallest number of people per line in North America. Bell has always made substantial profits. I salute the courage and the determination of the employees of the company and also of their union, which seeks to protect the rights and benefits of its members against a management strategy designed to produce massive layoffs.

I would also like to salute the 2,000 delegates who are attending the Ontario Federation of Labour convention, which has been going on in Toronto since Monday night. Yesterday, they marched down Bay Street, where Canadian banks and large corporations have their headquarters, to protest against Mike Harris' right wing policies, especially against the first piece of legislation his government enacted, which repealed the anti–scab act and makes the creation and certification of trade unions more difficult.

I would like to quote a statement made by an American, the Reverend Jesse Jackson, who told the convention delegates: "Do not allow the right to destroy all the accomplishments of many past generations". I could not agree more.

The Harris government has decided to dismantle the Ontario Labour Code. Moreover, it wants to reduce the size of the labour ministry by 46 per cent, which will mean fewer occupational health and safety inspectors, fewer air quality technicians, fewer officials to enforce minimum work standards, etc.

I an concerned about all these cuts and these attacks against workers in Ontario, the richest province in Canada.

The federal government, and the provincial governments of Ontario and Alberta, which are going after the poorest members of society in an attempt to put their financial house in order, are on the wrong track. They will only increase poverty. I believe that the way to go, instead, is job creation initiatives, tax fairness, a better redistribution of wealth, and increased social security.

Both at the provincial and federal levels, anti–scab legislation is not only essential, but urgently needed. I was very disappointed by the vote taken the day before yesterday by the members of this House who rejected by 144 against and 104 for the bill presented by my Bloc colleague, the member for Manicouagan. However, I salute the courage of a great number of Liberal members who supported the bill and who were in agreement with it, under the previous Conservative government. On the other hand, I denounce all the ministers, especially the labour minister, who voted against it.

• (1325)

Following the example of Quebec and British Columbia, such an act at the federal level would avoid the worsening of labour conflicts, as was the case at the Ogilvie flour mill, in Montreal, where the strike lasted for 15 months.

Finally, I will say that I support the FTQ's request for the strengthening of the present succession rights of workers, should a Crown corporation be privatized or a private company under federal jurisdiction be disposed of. This problem has arisen mostly with the sale of Canadian airports.

To conclude, I stress that I will vote against Bill C–96.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, like my colleagues, I welcome the opportunity to speak about the Act to establish the Department of Human Resources Development.

Bill C–96 establishing the Department of Human Resources Development flows from the June 1993 reform and is another demonstration of this government's desire to centralize. The Liberal Party of Canada, faithful to the objectives established by its guru of the last decades, Pierre–Elliott Trudeau, took office at the House of Commons in October 1993 with the clear intention of giving government in Canada a more centralized

structure. Right from the beginning, there was a major offensive action against the autonomy Quebec was aiming at. During the two years of the present administration, we have seen countless examples of this thrust towards centralization.

Bill C–96 is but another step in the invasion, by the central government, of Quebec's jurisdictions in the area of social and economic development. Clauses 6 and 20 of that bill reveal the federal government will to limit the freedom of action of the Quebec National Assembly.

Clause 6 defines the powers, duties and functions of the minister, which now extend, and I quote: "to include all matters over which Parliament has jurisdiction relating to the development of human resources of Canada—with the objective of enhancing employment." The clause is unequivocal; it allows for the creation of a vast federal Human Resources Development department where the minister will have considerable powers and will be free to act without the approval of the provinces. In fact, this bill contains no provision on provincial jurisdiction, let alone on honouring this jurisdiction; on the contrary, it denies Quebec's exclusive jurisdiction over manpower training and development.

Clause 20 lists the organizations with which the minister may enter into agreements. It reads as follows: "For the purpose of facilitating the formulation, co–ordination and implementation of any program or policy [—]the minister may enter into agreements with a province or group of provinces, agencies of provinces, financial institutions and such other persons or bodies as the minister considers appropriate". So the minister may put anyone he wants in charge of managing his department's policies and programs without having to justify himself in the House or worrying about the Quebec government's directives.

In other words, he would have full discretion to contract out. The minister would have the power to enter into agreements with regional and local organizations, including municipalities, thus bypassing the provinces. This bill will allow the federal government to disregard Quebec's exclusive jurisdiction over the design of manpower training and development programs.

Quebec has always denounced the federal government's intention to put in place its own parallel manpower programs in Quebec. Quebec's Minister of Employment, Mrs. Harel, says that this bill is the antithesis of the Quebec consensus on the manpower policy, the antithesis of the single window.

• (1330)

Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, is another example of the Liberal federal government's relentless denial of Quebec. Under this bill, the Minister of Human Resources Development can use the money saved through UI reform to set up a human resources investment fund.

This fund will be spent on manpower training programs, among other things, thus allowing for massive federal intervention—on a discretionary basis and with a centralizing effect—in education, an area over which Quebec has exclusive jurisdiction, with total disregard for Quebec's policies in this sector.

Interprovincial trade is another area in which the federal government likes to impose its centralizing vision.

In Bill C–88 regulating interprovincial activities, the federal government assumes powers that were never discussed when this agreement was negotiated and signed in June 1994. Clause 9 of the bill stipulates that if a party is found to be in violation of Article 1710 of the agreement, the federal government, whether or not it is a party to the dispute, takes it upon itself to impose retaliatory measures against any province without distinction.

This bill shows, once more, the federal government's determination to act as judge and jury in interprovincial trade and to give itself, through this bill, a power of enforcement under orders issued by itself to extend the application of any federal law to the provinces, as stated in clause 9(1)(*c*).

This unitary state attitude of a centralizing federal system is in contradiction with provincial identities and, as such, impedes the development of the people of Quebec. This attitude is also reflected in Bill C–46 establishing the Department of Industry, whose clause 8 states specifically that the Minister of Industry is responsible for "economic development in areas of Ontario and Quebec".

This legislation only goes to show that there is overlap with respect to regional economic development by confirming the federal industry minister's right to interfere in an area of jurisdiction over which Quebec has been demanding control for a long time.

Bill C–91 to continue the Federal Business Development Bank under the name Business Development Bank of Canada is the last example of the centralizing federal legislation that I will give you here.

Clauses 20 and 21 of this act are totally unacceptable to Quebec. Clause 20 suggests that the Business Development Bank of Canada may enter into agreements with, and I quote: "and act as agent for, any department or agency of the government of Canada or a province, or any other body or person, for the provision of services or programs to" them or on their behalf.

This act also flies in the face of the economic development policies being implemented within Quebec. Under this clause, the Liberal federal government pursues its strategy of centralization, a political strategy to substantially restrict the Quebec government's ability to act in the area of economic development, ultimately preventing it from achieving political autonomy.

By usurping the power to act as an agent for any department or agency of Quebec, through the bank, the federal government completely ignores the authority of the Quebec National Assembly and its legislation on the executive council, which states that no department or agency of the Government of Quebec may deal with the federal government without prior consent. The new Federal Business Development Bank, the Business Development Bank of Canada, has become the instrument of federal interference in regional economic development in Quebec.

• (1335)

The totally demagogic approach developed by Pierre Elliott Trudeau, who claimed that Canada was the most decentralized country in the world, is an insult to intelligence and reflects the bad faith now being displayed by the current Prime Minister. Such an attitude is a major impediment to finding a solution regarding Quebec's place in North America. In spite of the incessant pleas of the Quebec government to develop its own economic and social policies, the Liberal Party of Canada always said no and used every available legislative means to restrict the decision making power of Quebec's national assembly.

In the late sixties, Trudeau became Prime Minister and imposed a national vision which resulted in a series of federal interventions in fields of exclusive provincial jurisdiction. Since then, the primary objective of the federal government has been to streamline government activity and strengthen federal authority over the political economy. For example, in the area of manpower development and training, the federal government has over the last fifty years assumed increasing responsibility regarding the definition of the framework and conditions relating to government intervention in that area of Quebec economic activity. As a "policy definer", the federal government has given itself the role of direction setter and harmonizer, as opposed to that of a service provider for the provinces.

The patriation and review of the Constitution were opportunities for the federation to affirm the authority of the central government over the economic and social management of all the provinces. Regardless of what Pierre Elliot Trudeau and the current Prime Minister may say, the 1982 Constitution Act confirms Ottawa's dominating role as the place where power is exercised. This is why 2,308,266 Quebecers voted for sovereignty on October 30.

[*English*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until Monday, November 27 at the ordinary hour of daily adjournment, at which time the bells to call in the members will be sounded for not more than 15 minutes.

Mr. Boudria: Mr. Speaker, I rise on a point of order. I wish to seek the unanimous consent of the House to further defer the vote until Tuesday at the ordinary hour of adjournment.

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

Some hon. members: Agreed.

* * *

• (1340)

[*Translation*]

AUDITOR GENERAL ACT

Hon. Diane Marleau (for the Deputy Prime Minister and Minister of Environment) moved that Bill C–83, an act to amend the Auditor General Act, be read the third time and passed.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am very pleased to take part in the debate on Bill C–83 at third reading and to support this legislation which will establish for the first time within the federal government the position of Commissioner of the Environment and Sustainable Development.

Not so long ago, maybe 20 to 25 years ago, the environment was not among the major concerns of the government. In fact, most of the environment departments, at the federal and the provincial levels, were only set up during the 1970s. At that time, the environment was considered a self–contained issue. It was dealt with within one department, as were all the other areas, such as health, education, finance or revenue. Each department saw to its own business, without thinking about integrating elements from other departments.

Little by little, we realized over the last 25 years that everything that relates to one area, such as environment, taxation, transportation, health, is also interrelated with other areas.

Nowadays, we cannot talk about the environment without addressing the issues of health, economy, energy, taxation, public transportation. Everything is linked together.

In fact, all things are interdependent. The whole environmental issue hinges on ecosystems and biodiversity. We need something to support all forms of life, our natural resources and everything that is essential to the wealth of any country, of any community.

We realize today that the only way for us to protect the environment and to ensure that sustainable development is a constant concern in our lives is to integrate the environment with all other aspects of government. That is why it is becoming increasingly important to talk not only about the environment but also about sustainable development, biodiversity and interdependence.

That is why, in an ideal world, we would not even need an environment department. In an ideal world, such a department would not be needed because each department, whether it be the Department of Health, Finance, Transport or Fisheries, would in itself be a sustainable development department, an environment department.

But we are far from this ideal world. We still need a Department of the Environment to act as a watchdog and to ensure that environmental protection becomes an integral part of the agenda of all other departments.

[*English*]

This is the central objective of Bill C–83. The central objective is to ensure that each ministry of the government, whether it be finance, transportation, health, or any other ministry, will be convinced that the way to promote the environmental cause is to make each ministry's activities and actions sustainable in the long term.

• (1345)

The reason for the bill is to ensure sustainable development strategies within the aegis of each ministry of the federal government. We have now constituted Bill C–83 to install a commissioner of environment and sustainable development within the office of the auditor general to monitor and inspire sustainable development strategies to be installed in each ministry of government, subject to public scrutiny through the office of the commissioner; the commissioner being installed within the office of the auditor general with all the autonomy and independence the office implies and sanctions.

The idea will be for these sustainable development strategies to be public in scope and accountable to the people of Canada through Parliament. They will have to be filed in Parliament and will be monitored by the commissioner who will have to report on them.

Bill C–83 will require the sustainable development strategies to be upgraded on a systematic basis so that the commissioner will have a benchmark starting in two years on the progress of these sustainable development strategies, considering the evolution of society in all its forms.

The office of the commissioner for environment and sustainable development is a key development in the governance of federal institutions. Besides the very important task of monitoring the sustainable development strategies of the ministries, another extremely important element of the commissioner's duties will be to be accountable to the public at large so that the public will have access to the commissioner's office to inquire, to complain if necessary, about the activities of the various ministries with regard to their sustainable development strategies and their environmental consciences.

The second element of public participation, that of accountability to the public, is a feature of the act which is almost if not as important as the first because the two are intertwined. This will provoke a transparent act, a bill that opens the scope of government to the public to ensure the government not only preach the preservation and enhancement of natural resources and the ecosystems that sustain all activities, but put the theory, the concept and the principles into practice in the every day governing of the various ministries of government.

Bill C–83 in that sense is a great step forward for the government, a clear achievement for the Minister of the Environment, in having recognized the necessity for the office in the red book which was the flag ship of the Liberal Party of Canada during the last election and, more important, to have carried out this key commitment at an early stage in its evolution as a government.

• (1350)

I am very pleased to have been part of the standing committee that examined and reported on the concept and office of a commissioner of environment and sustainable development. We are the first industrialized country of our size to have implemented such an office. We followed the lead of a very small country, a leading country of the world in this sense, New Zealand, which seven years ago installed an office of commissioner of sustainable development.

During the course of our hearings we were fortunate to have had the benefit of the experience and the advice of the commissioner for New Zealand, whose trail blazing work today has been the source of inspiration for ourselves. It is our hope that now that Canada has gone forward with the red book commitment and installed a commissioner for environment and sustainable development, this will become a practice that hopefully will be followed by the other nations of the world.

All of us are in this together. The environment is the most global issue of them all. Today we are committed as a nation to many international treaties such as the conventions on climate change and on biodiversity.

We are committed to the commission on sustainable development. We are committed to so many international instruments concerning environment and sustainable development that as we act, as we move forward, we set a tone, a benchmark which I firmly hope in this case will be followed by others in Canada and beyond.

I hope that all of the political parties represented in the House of Commons will consider this bill a positive, constructive and trail–blazing piece of legislation.

We may not have gone as far as the committee wanted to go at first, but I do think that our final resolution, the conclusion we have come to, is realistic and constructive, and is a huge step forward, not only for the federal government, but for all of Canada. This bill will show that the government is now firmly committed to sustainable development, not only through its environment department, but through all of its departments, all of the machinery of government. It will be up to us, as members of Parliament, and up to the people to ensure that the Commissioner of the Environment and Sustainable Development not only follows up on the sustainable development strategies, but also voices our concerns and puts pressure on all the governments, the current one, the next one and all the others after that. All this will mean that, for the government and the population, sustainable development will become one of our concerns and part of our daily lives.

I think Bill C–83 is a big step in the right direction for all of us. I am pleased to see today that it has come so far and that it will become a reality very soon, and I hope it will be passed by the Senate very fast so that it can come into effect as soon as possible.

[*English*]

The Acting Speaker (Mr. Kilger): I will take a moment to clarify a matter we dealt with earlier with reference to Bill C–96, following an intervention of the chief government whip on vote deferrals.

It is my understanding the recorded division on second reading of Bill C–96 is deferred not to the ordinary hour of daily adjournment but to the end of government business on Tuesday, November 28.

The Speaker: It being 2 p.m. we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

SENIORS SAFETY WEEK

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, this week is Seniors' Safety Week. While growing old is as inevitable as taxes we know that seniors should remain active and stay in their own homes for as long as possible. It is integral to their good health.

Ironically the home is one of the least safe places for seniors. In Canada accidental death or injury leading to hospitalization that is often permanent is three times higher for seniors than for any other age group. These injuries exact high psychological and social costs on seniors. They lead to loss of independence and mobility, and fear and anxiety lead to isolation.

Therefore making home and consumer products safe is the best health promotion for seniors. Health Canada promotes increased safety awareness among seniors and their care givers. Access to devices and home improvements that ensure safe living environments for seniors are a priority for the government, which is why we support the Canada Safety Council national safety week campaign.

I urge all members of the House to work toward safer communities for seniors. We will all be living in them eventually.

* * *

GUN CONTROL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Senate has now passed the infamous firearms legislation. For some it may be considered a victory but it is a very hollow victory at best.

The government has made some vague promises of safer streets and safer homes by introducing mandatory registration of rifles and shotguns. The Minister of Justice has never explained how cracking down on law–abiding citizens is going to prevent the criminal misuse of firearms. Obviously, criminals are not going to register anything they own.

I believe the legislation is nothing more than a very thin smoke screen to offer a false sense of safety to Canadians who

are concerned about the growing crime problem in this country and to take pressure off a government that seems unwilling to do anything meaningful about it.

There is a tremendous cost involved in the legislation. The set–up cost is $118.9 million by the minister's own figures, and registration itself will cost hundreds of millions more.

At a time when we are seeing federal cutbacks in transfer payments for health care, post–secondary education and various social programs, should the government not be reconsidering its priorities and refocusing the spending of what money it has in areas more meaningful than the registration of firearms belonging to law–abiding taxpayers in this country?

* * *

TOBACCO

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, studies in the U.S. show that smoking causes 415,000 deaths in a year and $50 billion in medical care costs.

Smoking is the most important preventable cause of premature death. The immediate causes of death are a wide variety of cancers and cardiovascular and respiratory diseases. Yet 48 million young Americans still smoke. Twenty–four billion packs of cigarettes are purchased each year. Every pack sold causes $4 of expenditures on smoking related health care.

As 70 per cent of smokers begin before the age of 18 years, discouraging smoking among the young is essential if we are to cope with this problem. It has been shown that the young prefer the most heavily advertised brands. Here in Canada we must discourage our children from smoking.

These facts are from the 1994 issues of the morbidity and mortality weekly report of the Massachusetts Medical Society, 1440 Main Street, Waltham, Massachusetts, 02154. I would be glad to provide extracts to anyone interested.

* * *

MOTHERS AGAINST DRINKING AND DRIVING

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, on Thursday, November 16, I attended the local kick–off for the Mothers Against Drinking and Driving red ribbon campaign in the town of Kentville in my riding of Annapolis Valley—Hants. The red ribbon project is this organization's most visible grassroots campaign. Each red ribbon serves as a reminder for motorists to be safe and sober drivers during the holiday season and throughout the year.

In 1994 over 1,700 people were killed in alcohol related accidents. That works out to 4.6 people per day. By working to raise awareness on this issue, we can all help to prevent the senseless deaths and injuries that result from drinking and driving.

I have a red ribbon tied to the antenna of my car. I would ask that all members of the House support this very worthwhile campaign by doing the same.

* * *

CANADA OCEANS ACT

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, on June 14 the government tabled Bill C–98, the Canada Oceans Act. This legislation is structured to provide a legal framework for the implementation of a new ocean management strategy. The Canada Oceans Act is needed to enable nation–wide management of our oceans on an ecosystem basis while ensuring that economic opportunities are achieved.

The province of Newfoundland is unique in its location and its dependency on intelligent oceans resource management. For this reason, the Canada Oceans Act is a landmark piece of legislation and is directed at the promotion of sustainable development and the protection of ocean resources.

With the Canada Oceans Act came the merger of the Canadian Coast Guard and the Department of Fisheries and Oceans. One key role for this integrated fleet will be fisheries conservation inside the 200–mile limit. Groundfish and other species will be protected while nature rebuilds these resources and shellfish will be protected from over–exploitation.

The Canada Oceans Act signals a renewal of Canada's—

The Speaker: The hon. member for Macleod.

* * *

MEDICARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, medicare is important to all Canadians.

Medicare deserves a federal health minister who can adapt to major inevitable changes, like new technology, which will be expensive; like a population that is aging, which will also be expensive; and like government debt, with a federal Department of Health spending $1,200 per person per year on debt service and just $268 per person per year on health.

• (1405)

We need a keen, adaptable minister with fresh ideas. What do we have? We have a minister out of her depth, who is fining the provinces for the delivery of health care that does not match her interpretation of the Canada Health Act.

Medicare deserves better. Canadians deserve better. Federal fines for medicare mean failure.

S. O. 31

TRANSFER PAYMENTS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, last month the Liberal government reduced federal transfer payments to Saskatchewan by a further $244 million. With a stroke of a pen, Saskatchewan's budget surplus has been wiped out.

Saskatchewan was the first province in Canada to produce a balanced budget without hurting those in need. This latest Liberal action will hurt those in need most.

Provinces have been under constant attack from the Liberal government's cutting of transfer payments. The Liberals' slashing of post–secondary education funding means higher education will only be available to wealthy families.

The reduction in transfer payments to the provinces is damaging to Canada's inter–generational and inter–regional sharing. Forcing young Canadians to pay more for their post–secondary education could cause them to lose sympathy for their elders. We ought not be surprised if soon these young people in turn demand that other generations, such as seniors, finance their own social and economic needs on a pay as you go basis as well.

Is this the Liberal vision for Canada, pitting one generation against the other?

* * *

WINTER CITIES CONFERENCE

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I rise today in recognition of the hosting in Winnipeg next February of the Seventh International Winter Cities Conference and Showcase.

[*Translation*]

This conference will bring together mayors and business leaders from more than sixty different cities and twenty–six countries to share their knowledge and ideas about what it is to live in a winter city.

[*English*]

By hosting Winter Cities '96, those of us who live and work in Winnipeg will be able to demonstrate to the rest of Canada and indeed to the rest of the world that we are immensely proud of our city and delighted to share it.

Winter Cities '96 is also a tremendous chance for Canadian businesses to showcase and promote their talents. At the moment, over 200 volunteers are hard at work preparing to welcome visitors from over 60 cities and 26 different countries.

[*Translation*]

I would like to thank them for their hard work.

[*English*]

I am sure that Winnipeg will make this Winter Cities Conference the most successful yet.

* * *

[*Translation*]

CP RAIL

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, yesterday the Prime Minister made a shameful remark, taking dangerous liberties with reality.

By linking the departure of CP Rail from Montreal with the sovereignist movement, and even having the colossal nerve to state that the sovereignists are intolerant of cultural minorities in Quebec, the Prime Minister sidestepped the question and added fuel to the fire.

If the Prime Minister listened to CBC a little more often, he would know that Mr. Ritchie, the President of CP Rail, has denied any connection between moving the headquarters and Quebec's move toward sovereignty. Mr. Ritchie simply pointed out that 80 per cent of CP activities were in the west. And this is the result of federal policies.

Rather than seeking to exacerbate the differences between the various groups making up Quebec society, the Prime Minister ought to be working to bring them closer together. This is another of the real problems the Prime Minister ought to be addressing.

* * *

[*English*]

HEMOPHILIA

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, November has been declared hemophilia month. Approximately 2,400 Canadians are affected by hemophilia, an inherited condition characterized by a failure in blood–clotting mechanisms in the body.

The Canadian Hemophilia Society is dedicated to providing information and support services to persons with hemophilia and other related blood conditions.

The Canadian Hemophilia Society has recently received a grant for $125,000 from Health Canada to assist in the development of a stronger volunteer base. This is in addition to the over $450,000 that has been contributed through the national AIDS strategy for AIDS information and prevention activities.

Today let us join together to salute the outstanding work of the Canadian Hemophilia Society. We wish them a successful campaign during hemophilia month.

CANADIAN POLISH CONGRESS

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, the Canadian Polish Congress is an umbrella organization that unites over 240 organizations representing Canadians of Polish origin.

The congress is active in many areas, from helping to successfully resettle newcomers to the promotion of excellent relations with ethnocultural groups across Canada.

Throughout its history, the congress has participated in the development of a strong and united Canada, often providing input and advice to federal and provincial governments through briefs and through personal input.

I am therefore pleased to announce that the Canadian Polish Congress Council has chosen Ottawa as the site of the 1995 annual meeting this week. I welcome the delegates from all provinces and regions, who are beginning the council meeting with a visit to the House of Commons.

* * *

• (1410)

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, according to the *Globe and Mail*, the government is preparing to reduce maximum insurable earnings for unemployment insurance.

This decrease will constitute the most substantial tax cut by this government, but essentially the ones to benefit will be high income earners who will therefore be paying less into the unemployment insurance fund, while people with unstable and seasonal work will get less money in benefits.

The minister himself has stated in the past that raising the ceiling would improve income distribution. He knows what he is doing.

We are anxious to see this long awaited unemployment insurance reform. This government, which claims it is addressing people's real problems, did not dare to table it before the referendum. Now we are really going to get clobbered.

* * *

[*English*]

ATLANTIC CANADA

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, methinks the Liberals doth protest too much.

To the members of the traditional good old boys club in Atlantic Canada, let us talk oppression. It is the Liberal fisheries minister who would charge an ice–free port for icebreaking. It is the Liberal human resources minister who airlifted Atlantic Canadians to Ontario. It is Liberal provincial politicians who have monitored attendance at public meetings. These are the politicians who perpetuate the oppressive political system of handouts and rampant patronage. The truth hurts.

Reformers openly challenge the political system in Atlantic Canada. We offer hope and self–reliance to Atlantic Canadians through proposals such as Atlantica, which builds trade alliances with the eastern United States. This will create jobs.

The Speaker: The hon. member had me worried there; I thought he was going to start reciting the Barbe.

* * *

[*Translation*]

LEADER OF THE BLOC QUEBECOIS

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the leader of the Bloc Quebecois surprised few people on Tuesday with his announcement of his candidacy for the position vacated by Jacques Parizeau.

He surprised no one either with his announcement that his first priority would be Quebec's public finances. Truth be known, the disastrous state of Quebec's public finances is forcing all pretenders to the throne to promise to make them their first priority.

He did, however, surprise and disappoint people with his announcement that he would never sign a new constitutional agreement. The potential successor to Jacques Parizeau must respect the people's decision of October 30 and work, as the people of Quebec have requested, to renew Canadian federalism. If his separatist obsession precludes his doing so, let him give up the throne to someone who give more heed to the will of the people.

* * *

GUN CONTROL

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, last evening, the other House finally voted in favour of gun control.

The work we started six years ago has finally come to a conclusion. We now have a tool to help improve public safety. The struggle mobilized many people who, like me, firmly believed that tighter control was necessary. I would like to thank them for their dedication and their tenacity.

On the eve of the grievous anniversary of the massacre at the École polytechnique, Parliament has heard the concerns of the victims' families. Responsible gun owners like us know that privileges imply obligations, and so the law will be observed. We must, however, remain vigilant and continue to keep close watch on the law and its regulations.

[*English*]

CANADIAN SUGAR INDUSTRY

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the Canadian sugar industry is very happy with the recent trade ruling by the Canadian International Trade Tribunal, which confirmed that dumped sugar from the U.S. and subsidized sugar from the European Union is threatening material injury to the industry.

● (1415)

The industry is also pleased that the United States has decided to exempt sugar from the Helms bill, which would have placed serious implications on Canada's ability to export sugar.

All this being said, the Canadian sugar industry still has one very key irritant that needs to be resolved. Canadian sugar exports to the U.S. were drastically reduced last year when the Americans implemented new trade restrictions which lowered our export quota. As a result, the Lantic Sugar refinery in Saint John, New Brunswick, had to lay off many employees. These tariffs are estimated to cost many hundreds of Canadian jobs in the sugar industry.

As an Atlantic Canadian, I call on the minister of trade to finish the job and continue to enter into formal negotiations with the U.S.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday when the Prime Minister backed out of the promises he made to Quebecers six days before the referendum and said that reopening the Constitution was out of the question, Quebecers all remembered the promises made by Pierre Elliott Trudeau on May 14, 1980, promises on which the government at the time immediately proceeded to renege.

Since six days before the referendum the Prime Minister clearly referred to the Constitution as a way to bring about change, does yesterday's retreat signify that Quebecers have been tricked once again as they were in 1980, when they were promised so-called satisfactory constitutional changes and the government did not deliver?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): On the contrary, Mr. Speaker. The Prime Minister's statement in Verdun on October 24 was as follows, and I quote; "We will keep open all the other roads to change, including administrative and constitutional means. Any changes in constitutional jurisdiction will only be made with the consent of Quebecers", while the Leader of the Opposition said, and I quote: "While he talks about the Constitution, we will look after jobs".

[*English*]

When asked whether he would sign any deal he said: "No, it is not possible. I am a sovereignist". The person who is off the wall on this is not the Prime Minister; it is the Leader of the Opposition.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, this is a fine way of passing the buck. This government blames unemployment on the previous government, and when there are problems with the Constitution, it blames them on the opposition.

When the Prime Minister made these promises to Quebec a few days before the referendum, he knew there was a sovereignist government in Quebec City. He knew that perfectly well. He made certain promises. So how can he use the sovereignist government in Quebec City as an excuse to back out of the promises he made so he will not have to deliver the goods?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I will repeat the promises made by the Prime Minister, which will be kept, and I quote: "We will keep open all the other roads to change, including administrative and constitutional means. Any changes in constitutional jurisdiction will only be made with the consent of Quebecers".

If anyone is saying no, it is not the Prime Minister but the Leader of the Opposition, who the day after the referendum dismissed the option of constitutional change.

Mr. Michel Gauthier (Roberval, BQ): How delightful, Mr. Speaker. What is the world coming to? Now for my question, and I hope we manage to understand each other.

The Prime Minister of Canada—not Joe Blow but the Prime Minister—comes to Quebec six days before a referendum. Without anyone asking, he promises the changes the Deputy Prime Minister just mentioned.

● (1420)

And then we have the same Prime Minister, and since I am going to quote him, I will quote exactly what he said two days after the referendum in this House: "This I have promised and this I will do". And yesterday, he told us: "I will not do it". What is going on?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, on the contrary. The Prime Minister promised, and I quote: "Any changes in constitutional jurisdiction will only be made with the consent of Quebecers".

Meanwhile, the Leader of the Opposition and future leader of the Parti Quebecois said in English, referring to the Constitution, that he did not believe it would be possible to formulate any offers, that they were not interested. That is what the Leader of the Opposition said, and we do not want to impose constitutional changes if he says Quebec does not want them.

[*English*]

The Speaker: I remind all members not to use props of any kind.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, two days ago, the Prime Minister made a suggestion to extend the deadline of the phoney committee chaired by the Minister of Intergovernmental Affairs, whose mandate, according to its chairman, is to save Canada by reviewing all the options to renew federalism.

Can the Minister of Intergovernmental Affairs tell us if he still intends to table the report of the phoney committee before Christmas or if he will grab the line thrown by the Prime Minister to gain a little more time?

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 should first set the record straight. As I said before, the perfect example of a phoney committee is the Parti Quebecois's regional commissions, in which the Bloc Quebecois took part.

I would like to remind them that there are five million voters in Quebec, not 50,000, and that their commissions were not representative and did not try to find conclusions that would help Quebec and Canada, while our committee is looking at all the options and seeking solutions to our problems.

Once again, we are holding out our hand in good faith to the Bloc Quebecois and the Parti Quebecois and urging them to soften their stance and negotiate a renewed federalism, as 80 per cent of Quebecers are asking them to do.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I must admit that the minister has a vivid imagination. He said that his committee's mandate was to review all the options in order to honour the Prime Minister's referendum promises, because the Prime Minister did make promises. But the Prime Minister is now turning his back on constitutional change. This is a remake of 1980, an old movie that we have seen before, but we have since gained 10 per cent. Soon we will gain even more in less time.

In this context, can the minister tell us what the phoney committee still has as a mandate? Should he not dismantle it instead, since the Prime Minister has decided as usual not to offer Quebec anything?

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, once again, the hon. member's statements are wrong. As the Deputy Prime Minister said, the Prime Minister clearly stated in Verdun that we would keep open all other avenues of change, including administrative and constitutional changes.

Yesterday in the House, the Prime Minister said this:

> I never said we were going to change the Constitution—I said we were going to make changes to the federation, constitutional changes, if necessary—

There is no contradiction between the two sentences. It is the official opposition that will not abide by the results of the referendum, which showed very clearly that Quebecers want change, but within Canada.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, we are being reminded again today by the Bloc Quebecois that in the referendum campaign the federal Liberals made a couple of constitutional offers to Quebec. Despite the referendum loss the Government of Quebec and its future premier have already made it clear that they reject these offers and further that they would reject any offers of renewed federalism.

• (1425)

Will the Minister of Intergovernmental Affairs make it clear today for all Canadians that the Government of Canada will not make further constitutional offers to a PQ government that has no intention of accepting them and that Canadians are sick and tired of playing this game with the separatists?

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, unfortunately it is true that the Leader of the Opposition, thinking about his future role as premier of Quebec, indicated that he would not consider any offers to renew federalism.

However, in saying that the leader was refusing to recognize the result of the referendum where the majority of Quebecers told him that they wanted changes to be made within Canada. He was also refusing to respect the majority of Quebecers who have expressed their views.

We will not do the same thing to Quebecers. We will be in a position to offer ways in which the present problems can be solved.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the minister avoided answering my question on constitutional offers, but in any case I will proceed with my supplementary question for the same minister.

As he pointed out, the Government of Quebec has made it clear that it will seek another referendum on sovereignty in spite of the fact that in the last referendum it never did make a detailed proposal on sovereignty and the proposed economic partnership.

Before the next referendum will the federal government formally request that the Government of Quebec table its detailed proposals for sovereignty and future economic relations with the rest of Canada so that Quebecers and other Canadians can evaluate the credibility of the ideas?

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 will respect the current referendum which indicated that Quebecers want changes to be made and that they want the changes to be made within Canada.

I will repeat what the Prime Minister said yesterday in the House.

[*Translation*]

"I never said we were going to change the Constitution. I said we were going to make changes to the federation, constitutional changes, if necessary".

That is what we are working on. We will make recommendations to the Prime Minister, and we hope to be able to find solutions that will ensure, once again, that Canada remains as we know it, a united country, a country where we can all make our dreams and aspirations come true, whether we live in Quebec or in another province.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, these are good words but they continue to miss the point, which is that the Government of Quebec is not interested in such plans and will proceed with another referendum at some point.

Let me go back to the Government of Canada's own commitments. On October 25, 1995 in a speech to the entire nation the Prime Minister said:

> All governments, federal and provincial, must respond to the desire of Canadians everywhere for greater decentralization.

This was a commitment to all Canadians that the Government of Quebec simply could not reject on behalf of everybody.

As the government has done nothing but bash decentralization since the referendum, what specifically do the Prime Minister and the government have in mind in making this kind of a commitment?

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, on this very important question I can only repeat what our line has been. It has been that decentralization would happen only when it is shown very clearly that it is more efficient to transfer responsibilities from one level of government to another.

It will be decentralization if it well serves Canadian citizens who pay taxes, but there is no doubt that decentralization for its own sake is not a remedy to any of the problems we now have.

* * *

[*Translation*]

PUBLIC SERVICE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of Finance.

In his budget speech, the Minister of Finance announced that compensation packages for laid–off public servants would cost approximately $1.3 billion. But the annual financial statement tabled by the government shows a huge cost overrun, with costs up to $2.3 billion.

• (1430)

How can the government explain the fact that its public service downsizing programs have cost $1 billion more than anticipated?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if the President of the Treasury Board were here, I am sure that, in response to the member's question, he would say that this increase can be attributed, first, to the pension funds that were not factored in when preparing the budget since they were not included in budget projections and, second, to the fact that more employees have accepted the offer earlier than expected. These costs will be recovered in time.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, it is surprising to say the least that the President of the Treasury Board never mentioned anything about this to the Minister of Finance. In view of the finance minister's answer, I might add that one of these public service downsizing programs, the early retirement program, which was supposed to affect 4,000 employees and cost $300 million, attracted 1,500 more people than expected and ended up costing $800 million instead of the original $300 million, or almost three times more than expected.

How can the government explain that its early retirement program will end up costing almost three times more than expected?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): First of all, Mr. Speaker, as I just said, this is explained, in the one hand, by the fact that some employees have agreed to retire sooner than anticipated and, on

the other hand, by the fact that there are more people in certain areas than in others, but that is not a problem for the government because this will save us money down the road.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the governments of the provinces, particularly Manitoba, Alberta, Saskatchewan and Ontario, as well as the two territories all registered opposition to the registration component of Bill C–68.

How does the government plan to gain the co–operation of these governments after having forced the bill on them against their will?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am glad the hon. member has noted that Parliament has now adopted a bill designed to ensure that we have peaceful communities and designed to ensure we have increasingly safe homes and safe streets.

I am sure the provincial governments will take note of the strong support for this measure across the country which will inspire their co–operation.

In any event, the Minister of Justice has announced today the appointment of a user group on firearms, composed of people from across the country who are responsible firearms users. This will be a very important way to make sure we have a cost effective, user friendly system of firearms registration which takes into account the concerns of responsible firearms users.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the hon. member would have us believe that the provincial governments do not have any consideration for the safety of their communities and their streets and that only the federal government can see that kind of safety within the bill.

The federal–provincial financial agreements for the administration of gun control programs expired on March 31, 1993. I ask the government, what is the status of these financial negotiations with the provinces? Have these agreements been renewed and if not, why not?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I will have to get further information on this for my hon. friend. It is the desire of the government to have agreements with the provinces which respect their concerns and at the same time ensure the safety of Canadians.

I hope my hon. friend will finally realize the support of Canadians for this bill and cease his opposition, which is certainly not well founded in light of the facts and in light of the support of Canadians who want safe homes and safe streets. They do not want an American style gun culture anywhere in Canada.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. Mr. Manera, the former CBC President, and Mr. Beatty, the current one, both said that, should the CBC undergo additional cuts, it would be necessary to review the mandate of the corporation.

• (1435)

Does the minister intend to order new cuts to the CBC and, if so, will he review its mandate, as is deemed necessary by Mr. Manera and Mr. Beatty?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member has got it all wrong. You do not deal first with the budget and then with the mandate. You start with the mandate and then look at the budget. This is exactly what we are doing.

A committee will make recommendations to us regarding CBC's mandate. We will look at these recommendations, make decisions and then decide on a long term financial plan.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, given that the French network is already performing a lot better than the English one, does the minister realize that any additional cut would have a greater impact on the French network and could jeopardize its mandate?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, there is one aspect regarding CBC's mandate which, I think, will not change. It is the fact that the CBC must respect the linguistic duality of our country. This is a public institution. It is an institution which will continue to reflect that basic reality of our country.

If the hon. member has opinions on the budget cuts made by CBC's president and board of directors and looks to me, it may be that she wants me to manage the corporation. This will not happen. I will merely be the one who decides on CBC's mandate and budget.

[*English*]

AGRICULTURE

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, my question is for the Minister of Agriculture and Agri–Food.

Last March the minister announced that he had instructed the Farm Credit Corporation to turn over the Crow payout to producers who lease land from the FCC. Last month the FCC stated that the minister's benevolent government corporation would increase the producer's share from a very generous 10 per cent up to a whopping 25 per cent.

Why did the FCC defy the minister's instructions? Farmers want to know who is in charge: the minister or his good Liberal friend and party contributor, Mr. Don Jackson?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I do not know what party affiliation Mr. Jackson has. I have never discussed it with him and I do not intend to.

On the substance of the issue, it is obviously not up to me to offer instructions to the FCC in terms of how it manages its business affairs. When the announcement was made in the budget with respect to the $1.6 billion capital payment in the wake of the cancellation of the WGTA, the FCC itself took the initiative to announce that it would find a way to equitably share that benefit with its leasing clients. It offered one particular formula. A number of the clients indicated to the FCC that in the opinion of the clients, they did not think that formula was sufficiently generous. As a consequence, the FCC more than doubled the formula.

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, the minister and the general manager for the FCC are saying one thing and doing another. The minister has stated that the balance of the payment would be reflected in lower lease and sale agreements, yet documented cases in Saskatchewan show that FCC leases and asking prices have risen by as much as 20 per cent.

Will the minister finally take a stand on something and address this paradox before it is too late?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the hon. gentleman is obviously being a bit inconsistent. He invites me to take a stand and every time I do that he criticizes it because it is not the Reform Party position. I would remind him that I was elected as a Liberal, not as a Reformer, and I do not intend to adopt his party's position.

• (1440)

With respect to the arrangements made by the FCC, it anticipates that in the first year of the adjustment to the loss of the Crow rate it will pass through to its tenant clients 12.5 per cent of the value of the Crow payment that it will receive. In the second year it will pass through another 12.5 per cent. It is fully expected by the third year that the impact of the freight rate adjustment will have worked its way through the land pricing system in western Canada and the benefit of reduced land costs will then be adjusted into the capital base.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my question is for the heritage minister.

The heritage minister is attempting to justify the way its government is apportioning the cuts at the CBC by pretending that both the French and the English networks will have to make the same effort.

Can the minister explain why, in 1992–93, according to the most recent numbers available, the production costs for a one hour program were $18,000 on the French network and $37,000 on the English one?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague does not seem to take into account the fact that the CBC is an independent corporation. I have the responsibility to look after its mandate and its overall financing; the board of directors and the president run the show.

Mrs. Christiane Gagnon (Quebec, BQ): But then, Mr. Speaker, why has the minister attempted to justify the way the cuts are being apportioned at the CBC? Can the minister explain why a one hour sport program, for instance, costs, for the same time slot, $28,000 on the French network and $70,000 on the English network?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, my colleague would like me to be the accountant and the auditor for the CBC, which I am not and will not be.

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[*English*]

CONFEDERATION LIFE INSURANCE COMPANY

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, my question is for the Secretary of State for Financial Institutions.

The pensions and other savings of many present and former Bell Canada employees and many other Canadians have been jeopardized by the collapse of Confederation Life. Could the minister tell us what can be done to help speed up the liquidation process so that these Canadians receive their moneys as quickly as possible?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, there are a number of interested constituents, and I would suggest to Reform Party

members that some of their constituents might be interested as well in this matter.

The liquidation of Confederation Life is a court supervised process, in case some members did not know that. Responsibility for realizing the value of Confederation Life assets has been passed to a liquidator, Peat Marwick Thorne, under the supervision of the court.

Accordingly, people affected by the failure of Confederation Life should be in contact with the liquidator. The liquidator is responsible for obtaining maximum value for Confederation Life's assets. Again the liquidator does not wish to proceed with fire sale prices which would affect this.

There have been many positive developments since the liquidation began. Many lines of business have been sold and efforts are being made to sell the others.

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CN RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the government has indicated some concern in the past about the marketability of the CN shares. It even went so far as to suggest it may sell part now and then the rest of them later on when things improve.

Can the Parliamentary Secretary to the Minister of Transport please tell the House if he anticipates a total sale of the government's shares in CN Rail?

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, I thank the member for his great interest in this matter and the question.

As the member will know, this has been the most successful government issue in terms of privatization in our history. In fact the stock issue has gone better than expected.

• (1445)

The member will know that as anticipated it has gone so well that it looks like government may not have to keep any position in CN whatsoever. It will divest itself 100 per cent.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, indeed there does seem to be great interest in the stock offering. Many potential Canadian purchasers have been unable to buy shares because of the large percentage offered outside of Canada.

Will the parliamentary secretary please explain to the House and to Canadians why the government rejected the Reform amendment to Bill C–89 which would have seen the share offering to Canadians and Canadian companies only for the first 60 days and would result in Canadian National Railway's remaining in Canadian hands, instead of intentionally selling 40 per cent to 50 per cent to foreign investors.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, the fact that the government wanted to maximize the price for CN was the reason it wanted maximum exposure not only in Canada but in the United States and elsewhere.

We were able to achieve such a good price because of that very reason. Foreign holdings or foreign shares were capped at 40 per cent. That Canadians were able to purchase over 60 per cent of Canadian National bodes very well for the issue.

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[*Translation*]

HIV

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is to the Minister of Health.

In 1989, a Quebec company, BioChem, developed a very important drug for the treatment of HIV infection, called 3TC. The American Food and Drug Administration has approved 3TC for sale in the United States. Because of the administrative slowness of Health Canada, the Americans are able to profit from this discovery before we do.

How can the minister explain that 3TC, a drug developed here, is already approved for use in the United States, while Health Canada is dragging its feet?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, scientists at Health Canada are continuing their work as fast as they can. We expect that they will give their approval very shortly.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I can tell you that the minister will make this year's "Bye! Bye!". I will ask her a supplementary question.

The minister has nice sounding words, but does she realize what the inefficiency of Health Canada means for the persons infected, especially when they know that their American counterparts are able to make good use of that drug, a drug developed here?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member must also be aware that while drug approval is under way, there are ways for people in need of these medications to have access to them.

We have a number of programs, including emergency drug release programs. We are doing absolutely everything we can to fast track approval of some of these drugs. In the meantime we are also facilitating their access for people who truly need them.

INFRASTRUCTURE

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the President of the Treasury Board told the government operations committee that the government's much heralded infrastructure program cost Canadian taxpayers $750,000 for every job created.

Last year the auditor general said the $4.5 billion spent on job creation by regional development agencies has failed. The number of jobs created has been fudged, inflated and politically massaged.

Will the Minister of Finance acknowledge the taxpayers had a bum rap, that the unemployed have been led down the garden path, and that his own deficit reductions could have been much larger if he would only acknowledge that this process of job creation does not work?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, one can speak to virtually every mayor of every municipality. One can speak to the executives of the mayors in municipalities. One can speak to the provinces. They will say the infrastructure program has been a tremendous success all across the country.

If one reads the auditor general's report, what he does is level a series of statements as to defects in evaluation, the vast majority of which occurred under the previous government and have been cleaned up by this government, which is why the auditor general congratulated the regional agencies under the Liberal government, and we are very proud of it.

• (1450)

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I could not find the congratulations. First we had the national unity cabinet committee and now we have the job creation cabinet committee being struck. This is talk, talk, talk and more money flushed down the drain for a top down, borrowed money, government directed job creation program that we know will fail.

Will the Minister of Finance recognize and acknowledge that if he wants a serious job creation program he has to get the government off the backs of the private sector, reduce the deficit faster than he has been doing and reduce taxes? Each of these things is opposite to what the government has been doing so far.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if one looks at the trend of interest rates since the last budget, one would see those interest rates have come down and will understand the very clear linkage between deficit reduction, lowering interest rates and job creation. That is more than likely one reason that over the course of the last year and half there have been over 500,000 new jobs created in Canada.

The President of the Treasury Board told me that the proof the infrastucture program has been such a great success is that the member for Simcoe Centre keeps writing to him for more money.

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BOSNIA

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

On November 21, with the historic signing of the peace accord in Dayton, Ohio between the warring parties in the Bosnian conflict, would the Minister of Foreign Affairs comment on any new role the Canadian government may play in support of the peace process in war torn Bosnia?

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, we are all pleased to welcome the Dayton peace agreement, bringing an end to the conflict in the former Yugoslavia.

I think I speak on behalf of everyone in the House when I say we congratulate all of the participants who had anything to with helping bring about this peace accord.

The peace accord is one thing but a lasting peace, the post–peace accord period, is sometimes as important or more important than the peace settlement itself. There will now be a period of reconstruction, rehabilitation and reconciliation. We will be monitoring this post–accord period very closely to see what part Canada can play together with its allies.

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[*Translation*]

EMPLOYMENT CENTRES

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, my question is for the Prime Minister. Last July, the Minister of Human Resources Development announced a major restructuring of his employment centre network and decided that the regional management centre for the Mauricie would be located in Shawinigan, in the riding of Saint–Maurice, instead of Trois–Rivières, the regional capital.

Since then, 25,000 people have signed a petition condemning the government's decision and 40 municipal councils in that region have adopted resolutions to that effect.

In this context, what is the rationale for establishing this regional centre in Shawinigan instead of Trois–Rivières when the public wants exactly the opposite?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I take great pleasure in answering the hon. member's question.

What the government of Canada did in that instance was make a very important and valuable response to the issue of service delivery. We have basically amalgamated Revenue Canada and HRD services to provide one stop shopping for Quebecers.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, you will understand that I would have liked to get an answer from someone who is familiar with this matter.

Will the Prime Minister dare deny the fact that it is a highly partisan, arbitrary and illogical decision that the office of the Minister for Human Resources Development got directly from the Prime Minister's office?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for his questions. Anytime he would like to compare notes on this file, I will be willing to sit down with him.

The Government of Canada has increased points of service for Canadians from 450 to 750. Through the use of technology we have reduced the number of days required to file unemployment insurance claims from eight to two. Similarly, we have increased points of service for seniors by 400 per cent.

• (1455)

If the hon. member would like a further briefing, I will be available in my office.

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IRVING WHALE

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of the Environment.

The *Irving Whale* salvage feasibility study submitted to the coast guard in 1992 noted the presence of a heating fluid called Mansanto MGS 295S. Had someone read the report carefully they would have discovered that the fluid was Monsanto MCS 295S, a substance comprised of 80 per cent PCBs.

When the minister asked the RCMP to investigate a possible cover–up of the knowledge of PCBs, did she ask it also to investigate her own department to find out who made the mistake? It was obvious that cover–up was on her mind.

The Speaker: In the formulation of a question we always give the widest latitude, but we should be very careful not to impute motive in any way, especially in this particular context. I ask the hon. member to withdraw the last words.

Mr. Forseth: Mr. Speaker, I withdraw the words. I was not imputing motive.

The Speaker: Thank you. The hon. Minister of the Environment.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, on July 6 of this year I ordered an investigation into the circumstances as to whether and why the Canadian Environmental Protection Act was violated in that information regarding PCBs had not been forwarded to my department.

That preliminary investigation was concluded last week and the results were serious enough that I have turned the matter over to the Attorney General of Canada and to the RCMP for further investigation.

With the investigation in the hands of the RCMP it has the full latitude to investigate everybody, including me.

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the minister needs to accept ministerial responsibility for the actions of her own department.

On March 18, 1994 the minister tabled the 1992 report to which I referred. I would think if the minister tabled the material she is responsible for its contents. She has known since the tabling that PCBs were on board the *Irving Whale* barge.

It is amazing that the environment minister calls for a police investigation when the fault lies with her. Will the minister accept the responsibility for the report which she tabled and take the blame for the mishaps of her department, an open ended cost so far of $12 million with still no results?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I will accept my full responsibilities. Under the law of the people of Canada I was required in July to turn this matter over to an investigation because there was a possibility that evidence on the presence of PCBs had been withheld from the department specifically.

If the hon. member is suggesting I should break the law and ignore the requirement under CEPA to inform of the presence of PCBs by law, I will not. If he is suggesting I am attempting to deflect responsibility or am participating in a cover–up I will categorically deny that.

When I asked for the further investigation of the preliminary results by the attorney general and the RCMP, I made no bones about the openness of the RCMP to investigate everybody, including the actions of all departments of government.

CANADIAN BROADCASTING CORPORATION

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is addressed to the Minister of Canadian Heritage.

The CBC, one of the few remaining ties helping to keep our country together, is about to snap. The president of the CBC has warned that any further cuts would so drastically reduce the CBC that a change to its legislated mandate would be necessary. The minister, however, earlier today in the House guaranteed that the budget will fit the mandate, not the mandate the budget.

Does the government really want the CBC to continue to exist? If it does, will the government rescind the further $123 million in cuts it has ordered and provide the CBC with multi–year funding as promised in the red book?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, we are on record as supporting a strong public broadcaster and supporting the CBC.

• (1500)

We will indeed be looking at the future financing requirements of the CBC once we have decided on the mandate.

* * *

HEALTH OF WOMEN

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, in my riding of Brant we are very concerned about the high incidence of low birth weight babies, about the increasing impact of heart disease on women, about osteoporosis, about breast and uterine cancer.

What is the minister doing to resolve these concerns and make good our promises in the red book to attend to the health issues of women?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the health of women continues to be a priority for this government.

In recent times, especially in the month of November, we have made a couple of very big announcements. One is the call for letters of intent for the centres of excellence on women's health. Another is the announcement that my American counterpart, Donna Shelala, the U.S. Secretary of Health and Human Services, and I will be co–hosting a forum on women's health in March 1995 here in Ottawa.

As well, we have a number of initiatives, including the prenatal nutrition program and programs addressing women and tobacco use. We have also been doing a lot of work on ensuring that women are a part of clinical trials.

In everything we do, we continue to check on the effects on women and their health.

PRESENCE IN GALLERY

The Speaker: My colleagues, I wish to draw your attention to the presence in the gallery of the Hon. Dr. Martin Bartenstein, federal Minister of the Environment of the Republic of Austria.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, during question period, in an answer to a question from the member for St. Albert, in a very feeble attempt to justify the infrastructure program the finance minister said that it was justified on the basis that the member for Simcoe Centre kept writing letters requesting money.

While we cannot call a minister a fibber, I think we have to make sure that the truth comes out. The truth is that there was one letter written and it involved the private sector. That is the only letter that was written.

The Speaker: I think the point has been made.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): With a very short preamble, Mr. Speaker, I would like to know from the government House leader what our legislative menu will be.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I want to make it clear that I am only going to make one statement right now.

The weekly business statement is as follows. We will continue today and tomorrow with Bill C–83, respecting the environmental auditor general; followed by Bill C–100, the financial institutions legislation; followed by Bill C–52, the public works and government services departmental reorganization.

On Monday we will begin with Bill C–108, the housing bill, and then return to the point on the list where we left off on Friday.

I would add to the list of bills for next week Bill C–99, the Small Business Loans Act amendments; Bill C–94, the fuel additives bill; Bill C–101, the transportation legislation; and Bill C–107, the British Columbia treaties bill.

Finally, Tuesday, November 28, and Thursday, November 30, shall be opposition days.

• (1505)

POINTS OF ORDER

QUESTION PERIOD

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in an earlier statement in the House an answer that I gave was qualified as feeble. My point of order is that it was in fact incredibly decisive and strong. In any event, I withdraw the *s*.

BUSINESS OF THE HOUSE

Mr. Ray Speaker (Lethbridge, Ref.): On a point of order, I have a question for the House leader of the government with regard to potential legislation coming before the House.

The Speaker: My colleague, you will recall that last Thursday we had a very brief exchange on this. Of course I will permit clarification of whatever is coming up. We do not usually do any dealing here on the floor, so I know that the question will be quite to the point.

Mr. Speaker (Lethbridge): Could the hon. House leader of the government indicate whether there is going to be any consideration with regard to legislation on unemployment insurance on the list he gave today?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, legislation on that topic was not on the list I read out today.

All I can suggest to my hon. friend is that he keep an eye on the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

AUDITOR GENERAL ACT

The House resumed consideration of the motion.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I was looking forward to speaking on third reading of Bill C–83 because of the debate we had last Monday on an amendment we tabled that would have deleted paragraphs (a) to (h) in clause 21(1) of the bill. I very much wanted to clarify a fundamental difference between members of the Bloc Quebecois and other members in this House.

We in the Bloc Quebecois are sovereignists and we come from Quebec. In other words, we support Quebec's sovereignty and are opposed to any form of intrusion in its jurisdictions, while seeking to expand those jurisdictions until Quebecers decide to have their own country.

Obviously we do not have the same outlook as the other members of this House, who are federalists. When a bill is tabled, we do not consider or analyze the bill in the same way the Liberals, Reform members and the remaining Conservatives do, who are federalists. They still believe in federalism but we do not. They believe in intrusion and imposition but we do not.

It is only normal that we should see bills like the one we are discussing today as potential for encroachment on Quebec's jurisdictions, while the other parties do not see it that way.

The deep–seated convictions of each and everyone of us mean that our points of view are different. We always try to assess the short and longer term impact of legislation on the prerogatives of the provinces. And when we consider the longer term effects, we feel that Bill C–83 will have a negative impact on the prerogatives of Quebec and thus on the environment.

From our point of view, the environment must be a provincial responsibility if we are to protect it, preserve it and, in many cases, restore it. We think it is clear the provinces have come a long way and today have most of the responsibilities in this area.

It is up to them to respond to their people and to pass effective legislation and set up programs and projects to preserve the environment. Many are already doing so, with good results. Quebec has assumed its responsibilities and done its homework. Furthermore, Quebec has led the way in a number of areas, including environmental assessment.

• (1510)

Looking at the federal side, there is not much to get excited about. The environmental effects are very watered down, and interest in the environment is not all that high and is a relatively recent thing. On the other hand, what is most remarkable about the federal government, the Liberal government in particular, is its great desire to become the saviour of the environment and to push aside the provinces more and more. It does this by riding over them roughshod, duplicating legislation, regulations, programs. The effects of this desire to interfere and to take over the helm at any price are very harmful to both the environment and the economy.

Bill C–83 has not escaped this constantly increasing desire by the feds to throw their weight around in the environmental area, as in a number of others. I wanted to explain this fundamental difference between us and the other members of this House because of what the hon. member for Davenport said about me last Monday. He wondered, and I quote: "—is it perhaps that the member for Laurentides badly needs a psychiatrist to remove her obsession with federal–provincial relations, her obsession

with seeing under every chair a federal monster, a federal presence which may disrupt the quiet life of the people in her riding?"

I personally feel that the member for Davenport has defined our fears very well. I could not have depicted the federal government as well myself. And if he defines himself in that way, then surely the definition must be an apt one. Thank you, dear colleague, for that revealing definition.

You will understand that following such a definition, we will see the federal monster not under the chair, as you said, but on the chairs in front of us.

I am rather in a jocular mood today. I have to be, otherwise I would probably have to see a psychiatrist as the hon. member for Davenport suggested. As for me, I would never dare to suggest that my colleague from Davenport consult his geriatrician because of his retarded and old–fashioned ideas. I respect him too much to make such a suggestion. Yet, it is obvious that he looks at Bill C–83 with the eye of a federalist while I see it as a sovereignist.

However, the hon. member goes a bit too far when he accuses us of being against the health of Canadians, against the integration of environment and economy, against the protection of ecosystems and against the prevention of pollution. This is getting close to demagoguery and intellectual dishonesty.

The Speaker: Dear colleague, you used the expression "intellectual dishonesty". Perhaps you could consider using words that are more appropriate. I wish you would. I am not asking you to withdraw but simply to reconsider.

Mrs. Guay: Thank you, Mr. Speaker. Do you wish me to withdraw that part?

The Speaker: No.

Mrs. Guay: Very well. Thank you.

We, sovereignists are as much if not more interested in ecology than most Liberal, Reform and Conservative members, the federalists in this House. To say that we are against the environment, in particular against sustainable development, because we do not support bill C–83 is going a bit far.

We are the ones who initially proposed the creation of a position of environment auditor within the auditor general's office. The minister took up the Bloc's idea and introduced the bill.

Besides, the auditor general, Denis Desautels, said in committee that he was already performing this role and could continue do to so if given more resources.

This seemed to us the best solution, the most efficient, the least expensive and the most logical. But the Liberals went overboard on this. They stuck doggedly to the promise they had made in the red book and suggested the creation of an independent office of the Commissioner of the Environment.

They suggested furthermore renewing the mandate of the auditor general in this area, even giving him additional resources. In other words, the Liberals wanted two independent offices, two auditors to perform the same task. What a fine way to manage. The Liberals wanted to create expensive and inefficient overlaps within the federal machinery itself.

• (1515)

So, if they are advocating creating duplication in their own house, one can certainly understand our reluctance and concern as to the commitment of these same people not to interfere in provincial jurisdiction. One can imagine the chaos and the administrative mess created by two environmental auditors. Such a situation would have been intolerable, and detrimental to the environment itself.

The Minister of the Environment—the best we ever had according to the member for Davenport, who is very humble since he himself has been a Minister of the Environment—was clever enough to follow through. She introduced Bill C–83 at first reading stage on April 25. At that time, we were in favour of the bill.

Later on, in committee, everything changed completely. Eager to lay it on, the Liberals suggested amendments that clearly demonstrated their annoying tendency to think that environmental protection is an exclusive federal role. When these amendments were tabled, for that matter, they were in for a bumpy ride, in fact it almost degenerated into a farce. At first, the Liberals moved amendments and voted on them. Next, relying on a rule rarely invoked, they cancelled these same amendments only to move new ones and take another vote. I want to point out that no amendment moved by the Bloc Quebecois carried.

So, the whole amendment stage was marked by confusion and turmoil. It seemed that the Liberals themselves could not understand each other; they appeared to be torn between public servants and politicians. This resulted in the Liberal amendment that modifies the bill by adding section 21.1, from (a) to (h). This added clause is what had led us to fear increased federal interference in provincial jurisdiction, and this is why we reject this bill. Liberals and Reformers are doing their best to convince us that this is not the case, but we see things differently.

We have been called obsessed, paranoid, we have been told we have a phobia against federalism. Fine. We have every right to feel this way, considering the environmental record of the federal government. We would not want the government to do more when it cannot even reach its own objectives in its own jurisdiction.

There are examples. The issues dealt with by the Liberals in the last two years and more clearly demonstrate that they are far from keeping their red book promises and that the minister, whom the member for Davenport has been praising for the last few days, has failed on all counts. Indeed, criticism levelled by environmentalists at the Minister of the Environment, who is so

very comptent according to the member for Davenport, has been getting harsher and harsher, lately.

Environmentalists, the provinces, experts and reporters are forthright in their assessment of the minister's work and action. Disappointment is felt everywhere. The minister's abilities are regularly called into question. Bill C–83 is itself a telling example of the government's weakness. The red book proposed an independent auditor. Liberals in the standing committee proposed the same. The result is that the minister is meeting them halfway: half result, half failure. And now the Liberals are bragging about their minister's accomplishments.

One would have to be really blind or totally soft in the head to congratulate the minister on this issue. The least we can say is that the Liberals are a spineless lot.

Another issue is endangered and threatened species. If I were a Liberal, a federalist, I would find that the minister's position on this is very poor, and that her plan of action leaves much to be desired. In fact, the member for Davenport himself has tabled a private member's bill, Bill C–275, which is aimed at protecting species. Is the very competent minister supporting this bill? Why is that legislation not part of the government agenda?

We, Quebec sovereignists, are very happy with the minister's half measures in this area. In Quebec, we are quite capable of taking care of our species. But if I were a Liberal, a federalist, I would not find the minister's performance in this area very good. The greenhouse gas issue? Another issue where the minister is incapable of reaching her objectives. The provinces seem increasingly to want to distance themselves from the minister on this issue. The same holds true for the whole issue of harmonization with the provinces.

• (1520)

The provinces do not seem to like the minister's heavy-handedness, as she is more intent on imposing the federal will than harmonizing. That is another failure of the Liberals and their very competent minister.

As for the CEPA, the Canadian Environment Protection Act, we are still waiting for an answer from the minister. She is late, and despite the fact the committee clearly asked that she meet the deadline. Is the minister really looking after her responsibilities? I will let you answer that question. However, to ask the question is to answer it.

The *Irving Whale*, MMT, federal BCPs, etc., all these issues have something in common. Of course, they fall under the responsibility of the environment minister, but mainly they stand out as failures or as very sensitive issues whose management can only be described as incompetent and dominated by petty politics. Are the members opposite asleep? Are they not aware of all the mistakes their minister is making and of her inability to run her department? How distinguished Liberal members, true environmentalists albeit federalists, unfortunately, can lavish such praise on the minister is beyond me.

From a sovereignist perspective, Bill C–83, as explained earlier, poses a very real threat of federal intrusion into a provincial area of jurisdiction. Looking very closely at clause 21.1, one can see this clearly.

Dealing at first with sustainable development, this clause refers further on, through subclauses *a* to *h*, to several items that are under provincial jurisdiction. True, the Liberals claim that these are merely general goals related to sustainable development. We think there is more to it than that if you look beyond the words and this list of goals. Over the long term, these goals will encourage federal departments to intrude upon the jurisdictions of other government levels. The fact that a commissioner will measure the performance of departments against these goals in their programs or projects will be an incentive for them to do more and to get better results, even if they overstep their own area of jurisdiction.

Thus, under clause 21.1, a department encroaching on an area of provincial jurisdiction will get a positive appraisal from the federal commissioner. There was certainly nothing else to be expected from the Liberal committee members. True to themselves, they repeated the same arguments they had put forward when we were studying the CEPA, the Canadian Environmental Protection Act.

Sustainable development, a concept which the Liberals use a great deal to crowd out the provinces, is an ideal all societies should strive for.

Let us be clear. What is at stake here is not the validity of this principle, but the way it is implemented.

The Bloc Quebecois not only recognizes the validity of the principle, but also the need, not to say the urgent need, to translate it into concrete measures.

We believe this principle should be implemented by the provinces because they have the overriding jurisdiction over the environment. It is up to the provinces to promote the conditions needed for sustainable development.

In a federal system, the principle of sustainable development takes on a new dimension, that is respect for jurisdictions and areas of authority. Obviously, the squandering of both financial and human resources in order to maintain a dual structure, is in no way sustainable.

However, clause 21.1 provides for the commissioner to monitor the progress of the various departments, by taking into consideration criteria which clearly come under areas of provincial jurisdiction.

Clause 21.1*(a)* deals with the integration of the environment and the economy. In fact, this part of the commissioner's mandate can turn into subsidy programs for suppliers or targeted purchase programs. For example, the Department of Public Works and Government Services can set so–called "environmental" standards for some very specific purchase programs.

• (1525)

Let us say that the department wants to buy 10,000 sheets of plywood, but that the award of this contract is subject to some sustainable development standards stipulated in the purchase program. The commissioner comes in, does his job, examines the purchase program and realizes that the program does not meet some objectives, such as maintenance of the resource, the wood fibre used, or that the process used causes too much pollution.

In other words, the environment commissioner assesses the purchase program and concludes that the standards do not promote sustainable development. In his report, he then urges the department to upgrade its criteria.

But, in this case involving the purchase of sheets of plywood, the whole industry comes under provincial jurisdiction, thus under provincial criteria. What will happen if the federal criteria are not compatible with Quebec's criteria? What will industries do in such a mess? Who is better able to impose criteria and standards? The federal minister, under the guidance of the commissioner, or the Quebec minister?

There is no doubt in my mind that the provinces, which already have jurisdiction in this matter, are in a better position to manage their own affairs, that is, in this case, the forest industry and its pollutants.

This situation could occur in each and every department. One can easily imagine the jurisdictional problems that such situations could cause. This kind of back–door underhanded interference is unacceptable. I would like to hope that federalists will be bright enough to understand this situation and recognize that it is quite probable.

Other examples show that the federal government has used its spending power several times to launch programs or projects in areas of provincial jurisdiction. In many cases, after a few months, the federal government withdrew and let the provinces, especially the province of Quebec, foot the bill or assume responsibility for cancellation.

Item *(b)* is about protecting the health of Canadians. That makes the people on the other side jump and rant on about us, saying that the Bloc is against protecting the health of Canadians and Canadians being in good shape.

What we want is for Quebecers, Ontarians and Albertans to be in good health. Health is a matter of exclusive provincial jurisdiction. It is incumbent upon the provinces to prevent environmental degradation from threatening public health.

How far could the federal government go with this clause? It is a question the Liberals should answer.

Once again, duplication of standards and competition with provincial standards are inefficient and costly, for governments as well as for businesses and individuals. Again, the federal government opens the door to further jurisdictional quarrels.

Considering the crystal clear position of provinces on this issue, it is difficult to understand the attitude of the federal government. This is further proof that the Liberals have completely failed to grasp the repeated requests for change made by Canadians and Quebecers.

Clause 21.1(*c*) deals with the protection of ecosystems. As owners and managers of the land, the provinces have jurisdiction over the management of ecosystems. For example, to support this role, Quebec has created 17 national parks. It also adopted legislative tools to ensure the protection of biodiversity.

Provinces that have not done this must take action and meet the demands of the international community, which, for example, has criticized, in the OECD report, the environmental performance of Canada in the protection of ecosystems.

Bill C–98, an act respecting the oceans of Canada, is an object of concern for the protection of ecosystems. With this bill, the minister of Fisheries and Oceans, the saviour of our nation and of our turbot, strips the Minister of the Environment of her jurisdiction over this area.

• (1530)

He says that he wants to take full responsibility for the protection of ecosystems. We can well imagine the commissioner asking the minister of Fisheries to impose standards on a municipal waste water treatment plant because it pollutes an ecosystem where specific species of fish live. But municipal waste waters fall under the exclusive jurisdiction of provinces. Is it not a direct interference with provincial jurisdiction?

Paragraph (*d*) is about meeting Canada's international obligations. The majority of these international commitments were made on behalf of the provinces, which are sometimes the last to be informed of Canadian positions. That goes to show the contempt in which the provinces are held by the federal government.

For example, Canada made serious mistakes by committing to reduce greenhouse gases to an extent far greater than what some of the most directly concerned provinces would have accepted. These are a few things that make us doubt the will of the federal government to respect the provinces. Clause 21.1 of Bill C–83 is evidence of the contrary.

Under the guise of environmental protection objectives, the federal government is encroaching further on provinces' jurisdictions. I would also like to say a few words about the opportunity this bill gives individuals and groups to put pressure through petitions. Allow me to be sceptical about the effectiveness of these petitions, which will be treated the same way they are treated now by the government: they will simply be tabled in the House. Obviously petitions do not change anything and do not influence anybody, including ministers.

As I have said before, lobbyists and ministers go hand in hand and petitions are an exercise in futility. It is ridiculous to claim that the petition tabling process provided for in Bill C–93 will be a formidable weapon for the protection of the environment. The minister has not reinvented the wheel with this idea.

To conclude my remarks, I will say this: the commissioner of the environment must not encourage or even support this offhand attitude that characterizes federal interventions as a whole. I would like to read to you an excerpt from a document on the impact of federalism, published by the Quebec government in August 1995, and I quote: "Quebec's effectiveness and its ability to meet its objectives are increasingly hindered by the intransigence shown by the federal government in areas such as environmental assessment, the inconsistency of its interventions in relation to those of Quebec, including the sudden elimination of grant program funding and regulatory duplication in the pulp and paper and mining industries, the derogatory remarks contained in the report of the House of Commons Standing Committee on Environment and Sustainable Development, and the fact that the federal government is forcing the adoption of its strategies in areas that should largely be under provincial jurisdiction, such as toxic substances, pollution prevention and sustainable development".

The role of the commissioner of the environment is not to promote duplication. On the contrary, he should encourage the various levels of government to respect each other's areas of jurisdiction. By giving so explicitly to the commissioner of the environment the mandate to monitor the extent to which sustainable development objectives are met, members of the committee have unduly politicized the role of the commissioner. We hope that, in the medium term, the use he will make of this mandate will have no impact on his credibility and his impartiality.

[*English*]

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak today on Bill C–83, which will amend the Auditor General Act.

• (1535)

Should the bill go on from the House to the other place and be given royal assent, Canada will be the proud owner of a brand new environmental commissioner, so it is said. The commissioner will have all the bells and whistles of a limousine, yet little gas to drive the wheels. The hands of the commissioner will be tied to the auditor general, who will ultimately have the final say on everything the commissioner does.

I want to read a promise from the Liberals' red book on page 64:

> Our second task will be to appoint an Environmental Auditor General, reporting directly to Parliament, with powers of investigation similar to the powers of the Auditor General.

I will briefly compare this promise to what is proposed in Bill C–83. The red book promises that the environmental auditor general would report directly to Parliament. Bill C–83 has the commissioner reporting to Parliament through the auditor general under his office, which is hardly what one would call direct.

Reformers believe the environment should be protected. We believe there is a place for critical review of what the government is doing with respect to the protection of the environment. It is our wish that this person be objective and independent as well as critical. It is also our wish that this person fit within fiscal reality.

Some Liberal members may think I am referring to exactly what is in Bill C–83, but I suggest they read the bill more closely.

The commissioner cannot be an independent figure. The commissioner might as well be a clerk of the auditor general. In other words, the commissioner is simply a staff member of the auditor general's office and subject to the larger pressures and priorities of that office.

I reassure members of the House that Reform is not opposed to the internal structure of the bill. We are simply opposed to the fact that money is being spent on a lot of status building trappings for a person whose job is already performed by the auditor general.

During the environment committee's clause by clause consideration of the bill the Reform Party proposed that any reference to the word commissioner be dropped and replaced by the term auditor general. I was not surprised to see that our amendment was voted down. It would be a cardinal sin, would it not, for any government member to vote in favour of an opposition amendment. We know how the petulant Prime Minister likes to punish his members.

Our amendment would have strengthened the bill in efficiency as well as cost effectiveness. We all know that the auditor general makes reports on how the government is undertaking certain environmental initiatives. Most recently in his 1994 report the auditor general reported on the environmental partners fund and the ice services branch of the Atmospheric Environmental Service. In the 1995 report Mr. Desautels reported on environmental management systems and environmental hazardous wastes. Allow me to briefly go through the report on hazardous wastes from the May 1995 report. The auditor general cites background information, audit objectives, observations and recommendations on the storage and destruction of PCBs.

It is no secret to Canadians that as a country we have a tremendous problem with PCB waste. We have been stockpiling the contaminated wastes for years. Now we are trying to get rid of it at the lowest possible cost. I read recently that Canadian companies hold a total of 127,025 tonnes of PCBs at 3,216 storage sites across the country. This number includes 495 federal sites containing 5,206 tonnes.

This is outrageous. What is even more scandalous is the fact that the government continues to do little about it. The minister may talk of studies, but studies will not help the people of Sydney, Nova Scotia, home of one of Canada's most polluted industrial wastelands. The Sydney tar ponds are presently contaminated by over 700,000 tonnes of toxic chemicals, including PCBs, coal tar, volatile aromatics, acid drainage and raw sewage. The minister says progress is being made, yet to date less than 90 tonnes of waste have been incinerated, not even 1 per cent.

We are not talking about storage sites holding newspapers or pop cans waiting to be recycled. These are sites holding a substance banned in Canada in the late 1970s; dangerous toxic sites, harmful to health.

In many communities laden with a PCB problem, a steady rise in the cancer rate is not uncommon. Sydney is now known as Canada's cancer capital, with a rate almost three times the national average.

• (1540)

The auditor general's report on managing hazardous waste outlines the role Environment Canada should play in the management of PCBs. It states the following:

> The Department provides the federal voice at CCME and federal leadership in the development and implementation of federal–provincial initiatives to regulate the use of PCBs and the storage and destruction of PCB wastes. The Department also spearheads the federal part of the national initiative by co–ordinating the activities of federal owners of PCBs and providing advice to both headquarters and regional levels on the storage, transportation and treatment of PCB waste.

In May 1994 the auditor general put forward his report on the management of hazardous waste. Now, one year and six months later, what has the federal government done to improve the PCB problem? Nothing. What will the government do? I am open to hear all the answers; however, I believe it will perhaps maintain the status quo. Again, the status quo really is nothing. I doubt that a commissioner will make much difference.

The auditor general clearly spelled out for the government that PCB sites need to be cleaned up. How much more can I stress the point the auditor general made? He did not say it would be simply a good idea to clean up the sites. Rather, he stated it was essential in order that the health of Canadians would not be put in jeopardy.

The government did not respond to the report. Therefore, if the government is clearly not acting on the auditor general's reports, I want to know what will be so special about the reports that will be written by the commissioner that will make the government act. Perhaps when we have time for questions and comments some hon. members from the government benches will be able to enlighten me on how they would be more apt to follow the warnings of the commissioner when they do not now follow those of the auditor general.

Bill C–83 will give us an environmental commissioner, whom we are told will whip the government into shape with respect to environmental issues. That is something the auditor general has apparently been trying to do.

The bill outlines that the commissioner will have several tasks to undertake. One of those tasks is the handling of petitions. A resident of Canada will now be able to file a petition concerning an environmental matter in the context of sustainable development. The commissioner would then forward it to the appropriate minister for whom the petition was intended. The recipient minister would then be required to acknowledge receipt of the petition within 15 days. In addition, that same minister would be required to respond to the petition within four months. In the bill it notes that the four–month period might be extended by the minister if the petitioner and the auditor general were both notified that it would not be possible to respond within the allotted four months.

The bill is really saying we need legislated permission for someone to write a complaint letter. Maybe with this new wrinkle the minister might even answer the mail.

Another duty of the new commissioner will be to monitor whether federal departments have met the objectives set out in their sustainable development strategies. The bill's amendment to section 24 would require that each federal department prepare a sustainable development strategy and table it in the House of Commons. Departments will have to table their strategies within

two years of the bill coming into force. After that, strategies would have to be updated every three years.

In a nutshell, this will be the job description of the new environmental commissioner within the auditor general's office. In my opinion the tasks themselves are reasonable. The monitoring of departments in terms of sustainable development makes sense, especially when the Ministry of the Environment has failed to do its job on this score. The accepting and passing on of petitions is good as well. It is essential that constituents know that the petitions they file are being reviewed and acted on. However, there is a fundamental flaw in the bill. While the bill creates this high profile commissioner, it gives the person no independent power. That option was rejected by the government.

I mentioned that the job description in the bill was reasonable, and I believe monitoring may make a difference. However, there is no need to create a commissioner to follow through on these objects when the auditor general still has the final say, and his officials have been doing the job for some time.

All of the above mentioned responsibilities could be taken on by the auditor general and be performed effectively and efficiently on a regular basis if he were given the resources. However, I can clearly see why the Minister of the Environment chose to go the route she did. It makes it look as if the government is moving ahead with its environmental responsibilities and fulfilling this longstanding promise. I believe we call this window dressing.

• (1545)

We are in a time of fiscal crisis. The deficit is out of control and things appear to be getting worse instead of better. We need to be tightening our belts instead of loosening them. Government departments need to be amalgamated and consolidated to streamline services. We need to save money at every turn.

The same applies to the issue we are discussing today in the bill. While the ideas are reasonable, the process is not. The duties of the environmental commissioner should be part of the auditor general's regular duties. The auditor general could easily expand and juggle his staff to help in the monitoring of government departments and the transferring of petitions from constituent to minister.

Such a small ordinary solution would not make the minister look environmentally green among her international cohorts. The Liberals overreaching undeliverable promises are now revealed. This is exactly the fundamental problem with the thinking of the government. Image seems to be everything.

Let me inform the Minister of the Environment of what I am hearing from my constituents about how governments should run. They want government to function without the flare and the Cadillac style. They want a government that is fiscally responsible and accountable. They also want an environment minister who puts environmental results at the top of the agenda within a fiscally responsible framework.

The bill creates redundancy. I have never heard where redundancy was a synonym for responsibility.

In May 1994 the Standing Committee on Environment and Sustainable Development tabled a report entitled "The Commissioner of the Environment and Sustainable Development". This was the result of many long hours of hearing witnesses and reviewing documentation. I have highlighted some very interesting observations, primarily some from the comments made by the auditor general, Mr. Desautels. He told the committee that his office has for many years "been carrying out much of what would be the main audit responsibilities of an environmental auditor general".

The auditor general also stated that the office, referring to the current auditor general's office, will ensure that in carrying out its responsibilities it makes a positive contribution through audit to the protection and improvement of the national and global environment.

In my reading of the standing committee's report my conclusion was that the auditor general also thinks that his office could handle the increased responsibility and assume the role of monitoring the sustainable development strategies of federal departments.

I want the House to hear the six points the auditor general made when he appeared before the committee on why his office could continue to audit environmental sustainable development issues without any commissioner.

First, there would be no need for a new bureaucracy as an audit infrastructure already exists in the office of the auditor general. It would be less costly to the taxpayer as the office already has the structure in place to provide appropriate training, carry out research, develop methodology and carry out audit work.

Second, the independence, objectivity and credibility of the office of the auditor general are already established.

Third, there would be no confusion or duplication of roles as there might be with a new office of the environmental auditor general.

Fourth, the principles of sustainable development would be reinforced in that the environmental issues are audited together with economic and social ones.

Fifth, one auditor would create less disruption in the organization being audited if an additional external audit were also at work.

Sixth, the auditor general's office through its existing relationships with provincial legislative auditors can promote concurrent and/or joint federal–provincial audits of multi–jurisdictional environmental issues. This could help to overcome

some of the problems related to the division of federal and provincial powers concerning environmental matters.

There is no question that the auditor general could undertake a more expansive role. He has said it to members of the standing committee. More important, if we were to ask the average person on the street we would discover that the vast majority is totally opposed to new levels of bureaucracy.

My constituents in New Westminster—Burnaby feel there is already far too much bureaucracy in government. When they find out that the government is passing legislation to add another level, my office phone might ring off the hook.

I refer to another important statement in the committee's report which reflects exactly what the Reform proposed in clause by clause consideration in committee:

> —it would appear that the Auditor General Act does not need to be amended in order for the auditor general, on his own volition, to expand his audit activities in the areas of environmental and sustainable development auditing.
>
> On the other hand, the act will have to be amended if the government wishes to make environmental and sustainability auditing a mandatory activity. The committee members were of the opinion that the Auditor General Act should be amended to this effect.

• (1550)

The Reform Party believes in sustainable development. We believe that through responsible economic development and the economic capacity that results, the environment will be sustained for all Canadians to enjoy.

The Reform Party supports the federal government taking leadership in developing a new discipline of integrating economics and the environment. However, while we support the truest definition of sustainable development we also support going about change in the most economical and pragmatic way possible.

Bill C–83 is definitely not cost effective. The installation of the environmental commissioner could cost upwards of $5 million in the next few years. We should consider the amount that was spent by the auditor general's office in 1993. In this year $4.5 million or 7.5 per cent of the entire auditor general's budget was spent on audits of programs and activities of the federal government.

I do not believe that the activities of the commissioner will need $5 million to operate. If the auditor general's office were to get just a portion of that amount, I am sure it would be able to hire the appropriate staff and perform the functions of the commissioner very admirably. However, we know it is about prestige and status. Prestige will be bought with a huge no cut contract for some so–called superstar and his or her appropriate entourage.

I cannot support a bill that does not take economic matters into consideration. If the government were serious about doing the right thing, it would have accepted Reform's proposal to get rid of the aspect of commissioner and hand over the responsibilities to the auditor general. Unfortunately such was not the case.

The environmental community and the Liberals when in opposition wanted a completely independent watchdog of the government concerning environmental matters. They saw the policy need and the need related to control, lines of accountability and the reporting structure. The independent commissioner was to have meaningful investigative powers and was intended to embarrass and expose laxity, rule breaking and poor administration on environmental matters. Now that the Liberals are in government the red book's high sounding phrases are only phrases. The bill it has now brought forward as a government is much less than what it promised.

The decision has been made: no independent commissioner or environmental auditor general. If we are not to have one, why not facilitate the auditor general's office with a little more resources and some enhanced legislative mandate and encourage him to get on with it? Not the Liberals; they want it both ways.

There will be business as usual but the bill also creates a new title under auditor general who has a position identified and set out with legislative status. With a magic wand we have an environmental commissioner. There are great press release opportunities, a high profile appointment and international advertising for the position. I wonder if the superstar contract will be larger than the boss to whom he reports, the auditor general.

If we have to spend more on environmental auditing, it should give the auditor general some resources and an enhanced mandate. It should not try to fool the public into thinking that it has something that was promised. The government should do one or the other. I can imagine the morale problems these new favoured environmental kids will cause in the regular office of the auditor general.

The bill does not make sense from a public administration point of view. The whole exercise as constituted is not likely to be good dollar value. The bill tries to take things both ways, but no one is fooled. Either we have a real auditor general for the environment or we do not.

If it is to be a subset and a listed function of the current auditor general, let us be forthright about it. The expensive optics game of the bill is out of sync with what the country wants and needs. Whom are we trying to impress? Is it the public or maybe the

senior deputy ministers of various ministries of the crown who have failed so far to fulfil their environmental duty under the law?

I am not buying it and I do not think the public will either. When Reformers are the ministers, the auditor general report will be regarded and acted on quickly and there will not be any overpaid superstar commissioner.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I am pleased to rise today in support of Bill C–83. The Liberal Party red book stated that the government would provide national environment and economic agendas. We also said that one of our priorities would be to appoint an environmental auditor general who would report to Parliament directly and would have powers of investigation similar to those of the auditor general. Bill C–83 fulfils this commitment and does even more.

• (1555)

Bill C–83 demonstrates that the government is serious about environmental and sustainable development, that we are willing to change the way government does business, and that government is not afraid to be held publicly accountable for what it does or does not do.

Federal government policies and operations have an impact on the decisions of Canadians, on the economy and on the environment. It is critical therefore that environmental and sustainable development considerations are integrated in government decision making. By getting its house in order the federal government can actively promote the shift to sustainable development throughout Canadian society. This is what Bill C–83 is all about.

The Standing Committee on Environment and Sustainable Development deserves a large share of the credit for the bill. The committee examined the government's red book commitment to establish an environmental equivalent to the auditor general. It recommended the establishment of a commissioner of environment and sustainable development. It provided valuable input at report stage when it made several recommendations to improve the bill.

Bill C–83 explicitly incorporates environmental and sustainable development in the Auditor General Act. It would also give the auditor general the explicit legal mandate to include environmental effects alongside the traditional considerations of economy, effectiveness and efficiency among the considerations he uses to determine the observations he will bring to the attention of the House of Commons.

Bill C–83 will also provide the federal government with leadership in making the shift to sustainable development. The amendments will proactively promote sustainable development across all federal departments.

Under the act ministers will be required to table in the House sustainable development strategies that include their departments' activities and plans of action to further sustainable development. Departments will also be required to update their strategies every three years and ministers to table updates in the House.

Bill C–83 will authorize the auditor general to forward petitions on environmental matters from the public to the responsible ministers. These ministers must respond within a specified timeframe.

The amendments I have just mentioned are significant in and of themselves but the bill goes much further. It creates a truly independent commissioner of environment and sustainable development. The commissioner will be established within the office of the auditor general. This will strengthen the role of the commissioner, ensuring independence and greatly enhancing the auditing of the government's environmental performance. The office of the auditor general has clout. It is independent from government. It is well respected and has solid expertise that can be put to use at once.

There is another advantage to the innovation. Within the work of the auditor general issues of environment and sustainable development will be integrated directly with economic considerations. This kind of integration is what sustainable development is all about.

To ensure his independence as an effective critic of government the commissioner will be appointed by the auditor general. The commissioner will be the auditor general's right hand person, helping him perform all his duties in so far as they relate to environmental and sustainable development.

The commissioner will monitor and report annually to the House on any aspects of sustainable development, environmental, economic or social, where they merit attention. These issues would include the extent to which departments are implementing their sustainable development action plans as set out in their strategies; the extent to which these action plans are effective and departments are achieving their sustainable development objectives; and the number, subject matter and status of petitions received by ministers.

The annual green report of the commissioner will not be the only report to the House on the government's sustainable development and environmental performance. The auditor general, assisted by the commissioner, may also report on environmental matters in his traditional reports to the House.

• (1600)

These amendments are historic and unprecedented. They will have far reaching implications for the way the federal government does business. They ensure that no matter who the auditor general happens to be, environment and sustainable development will have a high profile in the work of the office. They will provide leadership on sustainable development by proactively promoting and operationalizing sustainable development across federal departments and across economic sectors of the country. They will hold the government fully accountable to the public for its leadership and progress in making the shift to sustainable development.

The government has taken a red book commitment and engaged Parliament and Canadians in fulfilling it. Contrary to what the Bloc member who spoke said, it was a commitment in our red book and not one of their ideas.

I look forward to Bill C–83 becoming law and to the appointment of a strong and independent commissioner.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, It is with great pleasure that I rise to address Bill C–83, an Act to amend the Auditor General Act.

This bill seeks to achieve five specific objectives:

First, to ensure that environmental considerations in the context of sustainable development are taken into account in the auditor general's reports to the House of Commons.

Second, to provide for the appointment—as suggested by the Bloc Quebecois—of a Commissioner of the environment and sustainable development.

Third, to impose requirements for responding to petitions received by the auditor general about federal environmental matters in the context of sustainable development.

Fourth, to provide for monitoring and reporting to the House of Commons on the activities of departments and the extent to which they have met the objectives and implemented the plans set out in their sustainable development strategies, and for reporting to the House of Commons on petitions.

Fifth, to require that each department's sustainable development strategies be prepared and tabled in the House of Commons.

From a technical point of view, if this bill is passed, a number of measures will have to be taken.

First, an adequate definition of what is meant by "sustainable development" will be necessary.

Second, the mandate of the Commissioner of the environment and sustainable development will have to be properly defined.

Third, we will have to ensure that the process for responding to petitions will adequately meet the requirements of the citizens who submit these petitions.

Finally, we will have to ensure that all departments have sustainable development strategies and that they meet the objectives set therein. This means that a major structure to monitor the activities of all departments will have to be put into place.

I said earlier that the first objective of Bill C–83 was to ensure that environmental considerations in the context of sustainable development are taken into account in the auditor general's reports to the House of Commons. In order to achieve this goal, all stakeholders must agree on a single definition of what sustainable development really means.

Bill C–83 includes such a definition; it says that sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

It is surprising, to say the least, that the Minister of the Environment decided to include this definition in the bill to amend the Auditor General Act, but that she has not yet included it in the Canadian Environmental Protection Act itself.

In her speech to introduce this bill in the House of Commons on September 18, the Minister of the Environment said this: "[—] one of the first departments the office of the commissioner will be looking at is my department, the Department of the Environment. We welcome the opportunity of independent public review because we believe it will accelerate the integration of the two key objectives of sustainable development into the economy".

• (1605)

I hope that, during this review of the department's operations, the commissioner will have the opportunity to set the Minister of the Environment straight about this, because it would indeed not make much sense if the basic legislation respecting the environment in Canada was not the first to include a definition of sustainable development.

The only possible explanation for this is the minister's inability to carry out her responsibilities properly. Several examples come to mind. The *Irving Whale* case is a well–known example, where the minister proved to be unable to deal properly with such a major issue and such a dramatic one, under the circumstances.

In this case, the office of the auditor general would obviously have much to do to meet the first objective of this bill.

The second thing that Bill C–83 does is provide for the appointment of a commissioner of the environment and sustainable development. To this effect, the duties that the future commissioner to the environment and sustainable development is expected to perform are described in clauses 22 and 23.

The following information may be drawn from reading these sections. First, the commissioner in question will report directly to the auditor general, assist the auditor general in the performance of his duties with respect to the environment and sustain-

able development. For instance, the commissioner will assess the effectiveness of action plans in meeting the objectives set out in departmental sustainable development strategies.

Second, the commissioner will follow up in the prescribed manner any petition received from a resident of Canada about an environmental matter in the context of this so–called sustainable development.

Third, the commissioner will make any examinations and inquiries that he deems necessary to monitor the extent to which each department has met the objectives set out in its own sustainable development strategy.

Finally, he will, on behalf of the auditor general, report annually to the House of Commons on the extent to which each department implemented its sustainable development plan and on anything in relation to the environment that he considers should be brought to the attention of the House.

I think it is important at this juncture to repeat to this House the comments made by Auditor General Denis Desautels when he appeared before the Environment and Sustainable Development Committee on October 3.

At that time he said the following—and I shall quote him extensively because I think that the Auditor General has put his finger right on the fundamental problem in this matter.

I shall be quoting from several pages of Mr. Desautels' testimony. He said: "When I last appeared before this Committee, I also touched on the expectations of stakeholders regarding what was then termed an "Environmental Auditor General". I remain concerned about the extent of these expectations". He continued. "I sense there could be a gap between what stakeholders, such as environmental groups, would like or hope the Commissioner can do and what is reality, both in terms of mandate and available resources. It will be important in the months ahead to ensure that this expectation gap is minimized. For my part, I will try to do this by clearly describing this new role and the impact of these proposed changes on my Office at the first appropriate opportunity, in one of our reports to Parliament. I would, however, like to briefly discuss three of the areas where this expectation gap might exist".

"When I spoke to this Committee in March 1994, I discussed the importance of the independence and objectivity of this Office as underpinnings to the credibility it has established since its creation in 1878".

"I noted that responsibility for such matters as policy review and arbitrating environmental disputes should not be given to my Office, as this could quickly and seriously jeopardize the AG's traditional independence, objectivity and credibility".—I think that we can agree with Mr. Desautels on that.

"In Canada, it is generally accepted that legislative auditors do not observe on the merits of policy. They concentrate their comments on the implementation of policy".—policy defined by others, including this House.

"I might also mention that our work with other Auditors General worldwide, indicates that the majority of my colleagues outside Canada interpret their mandate in this manner. The proposed amendments to the AG Act make no provision for the Office to comment on the merits of policy and we will not do so".

• (1610)

I would like to intervene at this point. We see that the auditor general made it clear that he will not be involved in formulating policies but in enforcing policies formulated by others.

Mr. Desautels continued to discuss his role as ombudsman or what that role would be expected to be: Similarly, there is also no basis in the proposed amendments, nor in the Office's current mandate, for the Office to take on the role of Ombudsperson. Such a role would be costly and could likely have a negative impact on the credibility of the Office of the Auditor General and the Commissioner of the Environment and Sustainable Development".

He also talked about jurisdictions, saying: "Finally, the mandate of the Office of the Auditor General, including that of the proposed Commissioner of the Environment and Sustainable Development, is restricted to the responsibilities of the federal government. Neither myself nor the Commissioner have or will have any authority to address matters that fall outside federal jurisdiction. I think it is important to mention here that the mandate and functions of this Office, including those of the Commissioner—and I underlined what Mr. Desautels said in my text, —cannot be a substitute for strong government leadership and departmental management action and accountability. This of course applies equally to both environmental and non–environmental programs and activities".

"It remains the responsibility of departmental management to review their programs, to assess their success and continuing relevance and to determine whether there are cost effective alternatives. The results of these revisions are essential ingredients to managing programs wisely and providing information for accountability reporting".

"The government's Guide to Green Government, issued in June of this year, states that departments are required to report annually on progress towards sustainable development in Part III of their Man Estimates. The document also notes that this regular reporting of activities and performance in the Main Estimates will make on going monitoring and self–assessment a necessity. The management of individual departments, as part of their responsibilities, will therefore have to monitor and evaluate their own progress. This is a fundamental responsibility of management, whether in the private or public sectors".

"We have seen as a result of our work on program evaluation, how difficult it is for government to implement good effectiveness measurement and reporting".

I think Mr. Desautels explains himself here and will indicate the thrust of his interpretation of this bill: "In this time of downsizing and restructuring, I am concerned that the challenge presented will not be picked up". "From our experience we know that leadership, support and guidance need to be provided to departments so they can respond in a positive manner. I believe there may be expectations held by some that we alone will take on the responsibility of setting the benchmarks or criteria against which the government's overall progress can be measured. If the Office were to carry out this task without the government taking an active role, it would interject the Office into the day to day operations of the government, thus removing the traditional arms length relationship of a legislative auditor from these operations. It could also be perceived as a potential conflict of interest, since we would be put in a position of auditing something we ourselves had developed".

This is the end of the auditor general's text. I have taken the liberty of reading much of it, because it is in fact the response of the auditor general to this bill, which establishes his guidelines and determines his responsibility. In his opinion, they do not seem to correspond to people's expectations, and the auditor general himself says in fact: "I fear the challenge presented will not be picked up".

In short, the auditor general is telling us he cannot meet Parliament's expectations on the monitoring of activities of the departments covered by this bill.

• (1615)

What in fact are these expectations the auditor general refers to? During debate at second reading, the parliamentary secretary to the Minister of the Environment said the following, and I quote: "Beyond the significant powers of the office, the very existence of the office of a commissioner of environment and sustainable development sends a powerful signal not only within the government itself but beyond the government into the reaches of Canadian society. They now know there will be somebody there, a monitor, an ombudsman, who will devote his or her duties to the environment and sustainable development in making sure the government itself practices what it preaches".

The remarks by the parliamentary secretary are somewhat at odds with those of the auditor general. This is made even more worrisome by the fact that, in the same speech, the hon. member for Lachine—Lac–Saint–Louis goes on to say, "The key issue here is if this commissioner of environment and sustainable development will be truly independent and have the necessary powers, autonomy, independence to ensure that he or she is listened to and that the public feels that through this office it has a voice and a say".

The auditor general's own description clearly shows that his role depends essentially on the government's real leadership and not on his own qualifications.

But, as we heard, the auditor general did say that playing the role of ombudsman could have a negative impact on the credibility of the auditor general's office and of the sustainable environment commissioner. During the same debate, the hon. member for Davenport had this to say about Bill C–83: "This is not a minor step. It is a remarkable one. It inserts in the mandate of the auditor general the importance of monitoring sustainable development strategy and implementing the meaning, significance and the interpretation of sustainable development. That is no minor feat".

Yet, the auditor general himself went to the trouble of toning down this interpretation of the role that will be played by the commissioner of the environment and sustainable development. The auditor general himself said that the proposed amendments to the Auditor General Act contained no provisions allowing the auditor general's office to comment on the validity of policies, and that they would not do so. That is what Mr. Desautels said.

I also want to point out that, in his September 18 speech, the member for Davenport said: "The role and the funding of the commissioner must be ensured so that they do not suffer in times of budget cuts. I am certain that this matter will be taken into account fully".

Let us hope that the reassuring words of the member for Davenport, who is surely full of good intentions, will be heard by the Treasury Board Secretariat, because the auditor general expressed concern in that regard, following his discussions with TBS. Mr. Desautels said: "I want to point out that, in spite of the additional resources made necessary by the amendments to the Auditor General Act, in 1997–98, the office will have reduced its budget by some $7 million per year". Again, there is a contradiction.

There is another provision in the bill which should be looked at, namely the requirements of responding to petitions received by the auditor general about federal environmental matters in the context of sustainable development. Clause 22 of the bill states how these petitions will be dealt with. This clause reads as follows:

(1) Where the Auditor General receives a petition in writing from a resident of Canada about an environmental matter in the context of sustainable development that is the responsibility of a category I department, the Auditor General shall make a record of the petition and forward the petition within fifteen days after the day on which it is received to the appropriate Minister for the department.

(2) Within fifteen days after the day on which the Minister receives the petition from the Auditor General, the Minister shall send to the person who made the

petition an acknowledgment of receipt of the petition and shall send a copy of the acknowledgment to the Auditor General.

(3) The Minister shall consider the petition and send to the person who made it a reply that responds to it, and shall send a copy of the reply to the Auditor General, within

(a) one hundred and twenty days after the day on which the Minister receives the petition from the Auditor General; or

(b) any longer time, when the Minister personally, within those one hundred and twenty days, notifies the person who made the petition that it is not possible to reply within those one hundred and twenty days and sends a copy of that notification to the Auditor General.

(4) Where the petition is from more than one person, it is sufficient for the Minister to send the acknowledgment and reply, and the notification, if any, to one or more of the petitioners rather than to all of them.

• (1620)

I would have much more to say on petitions, Madam Speaker, but you are signalling that my time is up.

To sum up, I would like to say this. We will be voting against this bill for very specific reasons, in spite of the fact that we had originally requested a position of commissioner to the environment be established.

The auditor general tells us his basic problem is that he does not believe that he will be able to fulfil this mandate adequately. He also tells us that the government's leadership in this matter is more important that his. And so far, on every issue—whether it is the *Irving Whale* or the Berlin agreements on greenhouse effect—the Minister of the Environment has failed to show the leadership required to allow us to believe with any degree of certainly that the commissioner of the environment would have any real power.

Third and last, I note also the very clear picture that my colleague the hon. member for Laurentides has painted for us in her quite accurate analysis of clause 21.1, which does invade areas of provincial jurisdiction.

[*English*]

The Acting Speaker (Mrs. Maheu): 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 Brampton—unemployment.

Mr. Boudria: Madam Speaker, the speakers on this bill from here on in will speak pursuant to Standing Order 43(2). In other words, they will be sharing their time.

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I am truly delighted to rise to speak in support of Bill C–83, an act to amend the Auditor General Act. This act will create for Canada a commissioner for the environment and sustainable development.

I am particularly delighted in this case because this is a clear example of us fulfilling a commitment we made to Canadians in the red book, which was the basis of our election campaign. We said then that we would move Canada toward sustainable development. This bill is a very concrete step in that direction.

In the red book we recognized that there is no separation between a national environmental agenda and a national economic agenda. Since assuming office we have tried to implement that belief wherever possible. We have implemented it in our approach to planning and decision making within government. We have tried to integrate economic matters, social matters and environmental considerations. We understand that all these aspects of sustainable development can and must be co–ordinated to give Canadians what they want: a prosperous and healthy country in which we, our children, and our children's children can work to achieve our aspirations.

Environmental sustainable development must be an integral part of decision making in all federal departments. That means that decisions on new policies, programs, regulations, and laws as well as decisions on existing ones, must take that into account. It also includes decisions on how departments manage their buildings, facilities, and operations.

Strategies of sustainable development are a key part of Bill C–83. These strategies will take sustainable development from a concept to a real practice across all federal departments. Each minister will be required to table a sustainable development strategy for his or her department in the House within two years of the coming into force of this legislation.

By legal definition, sustainable development strategies must be results oriented. Each strategy will include the department's objectives and plans of action to obtain those objectives. Every minister will in fact become a sustainable development minister.

We all now realize that sustainable development is not the sole responsibility of the environment minister. It is the responsibility of all ministers and indeed of us all as Canadians. As the parliamentary secretary said earlier, in an ideal world we would not need a Ministry of the Environment to monitor sustainable development in Canada because it should be the concern of all of us and of all ministries.

• (1625)

These departmental strategies will also assist the new environmental and sustainable development commissioner in monitoring and reporting on the government's performance. The stated objectives and action plans will serve as meaningful and measurable benchmarks against which to assess each department's performance in making the shift to sustainable development.

Departments are committed to developing their sustainable development strategies and establishing their goals and action plans in an open manner, working with all interested parties.

This will help to ensure that the departments establish meaningful and challenging targets.

In June the government released a guide to green government, which was endorsed by the Prime Minister and all ministers. The guide will assist federal departments and their stakeholders in the preparation of their sustainable development strategies.

Federal government departments differ in their mandates and in their abilities to influence Canada's sustainable development prospects. As a result, their strategies will differ, but clearly together they must present a coherent and consistent government approach to sustainable development.

Sustainable development is an evolving concept. Indeed, our understanding of sustainable development has evolved considerably in the past few years and it will continue to evolve as we grasp a further understanding of what it means as we move to operationalize it.

The guide I mentioned provides core concepts and principles underlying sustainable development as a starting point. The concepts and principles will likely continue to evolve over time and perhaps new concepts and principles will emerge.

Bill C–83 requires departments to update their sustainable development strategies and requires responsible ministers to table the updates in the House every three years. This allows the evolving nature of sustainable development and the lessons learned from operationalizing it to continually be incorporated into the strategies.

Another key aspect of Bill C–83 is the appointment of a commissioner of the environment and sustainable development within the office of the auditor general. The commissioner will assist the auditor general in performing general auditing duties. He or she will also report annually to the House on any matter concerning sustainable development that he or she considers merits the attention of the House. The commissioner will not only strengthen the work of the office of the auditor general on the environment and sustainable development, he or she will also enhance the federal government's accountability for its actions or its inaction on the environment and sustainable development.

We are the first major country to build sustainable development into our economy in this way. It is becoming increasingly clear that those economies that take environmental costs into account are in fact the most efficient of modern economies.

Bill C–83 establishes a framework for sustainability across all federal departments and enhances the government's accountability to the House for its progress on sustainable development. We are not afraid of being held accountable in this way because we are building a record of accomplishments, a record of which we are proud.

Bill C–83 will have far reaching implications within the government and within our society as a whole. It will move Canada forward along the path from talking about sustainability to acting sustainably. I look forward to the speedy passage of this important legislation.

Mr. Geoff Regan (Halifax West, Lib.): Madam Speaker, I am pleased to speak on Bill C–83.

The Standing Committee on Environment and Sustainable Development took on the task of examining the government's commitment to establish an environmental equivalent of the auditor general. This was in fact a key red book commitment. It is an idea that has been discussed and debated for many years. It is also an idea the government is making a reality in short order.

• (1630)

The committee heard from many stakeholders representing a wide range of interests and opinions. Their testimony provided important insights into what must be done for Canada to achieve sustainable development.

The committee in preparing its report and the government in proposing Bill C–83 have paid careful attention to the message of stakeholders. The committee submitted its report in May of last year and the government responded just over a year ago. Its response was aimed at integrating economic, environmental and social factors in federal planning and decision making across all departments, just what the stakeholders had asked for.

Key aspects of that response include the amendments to the Auditor General Act with which we are involved today. The amendments would provide openness, transparency and leadership by government on sustainable development and continued action to make sustainable development a real practice throughout the federal government. Bill C–83 is central to integrating the environmental and sustainable development in government planning decisions across all federal government departments.

Last year I had the pleasure of being part of the Special Joint Committee for the Review of Canada's Foreign Policy. For the first time as part of a review of foreign policy one of the areas we looked at was sustainable development and the environment. We can see more and more these days how much environmental issues are international matters.

The hon. member for Peace River is here today. He was also a part of that review. It was a very interesting process. I was pleased that for the first time as a committee we recognized in our report that the federal government should include as a major plank of its foreign policy the promotion of sustainable development around the world.

Why is it important for us to make environmental matters and sustainable development more of a priority in government? One reason is that we live in a world of limited measurable natural resources.

I asked a friend of mine, a professor of geography in Halifax, if we could measure the atmosphere, the amount of air around the world. He checked with a friend in a specialized area who was more knowledgeable on the particular topic and told me there were approximately five quadrillion tonnes of atmosphere around the world. That is about one one–millionth of the total mass of the earth. Twenty–one per cent of the atmosphere is oxygen.

It is measurable and finite which means that it is limited. There is not always lots more where that came from. We have to recognize therefore that if we can measure it and if we can limit it, we can also destroy it. We can damage it. That is a very important point to realize in thinking about the environment and the world we live in.

This is the only planet we know of that will sustain and support life. That is an important point too. If we damage this one we do not have another one to go to. It is unrealistic to think we can choose some other world or that we will have some way to transport billions of people to some other planet where we can survive if we damage this one.

There is a very narrow range of conditions in which life can exist, particularly human life. Is it possible for us as human beings to actually alter or change the conditions which sustain human life? It seems to me the answer to that question is yes. We now have solid evidence that we actually have changed the conditions. We are having an impact on the conditions.

This year 2,000 leading world experts on climate change came to the conclusion and agreed, after years of debating it and not being ready to agree, that human activity contributes to global warming. We are affecting climate change. We are moving in the narrow range within which we can actually sustain human life. We should be aware of that very important point.

• (1635)

The planet has a limited ability to support human life. Researchers at Cornell University in the U.S. determined in a study that the earth's biosphere could only produce enough renewable resources, food, fresh water and fish, to sustain about two billion people at European standards. That is not North American standards and we should know the difference. If members know much about how Europeans live, they will know they are less wasteful of resources. They tend to follow the three *r*s of reducing, reusing and recycling a little more than we do. They have done it for quite a while. They have a head start on the three *r*s that are so important for the environment. I hope we can follow their example and catch up quickly.

Not only in Europe but in North America we have to change our practices to try to follow the three *r*s of reducing our consumption; reusing our receptacles for pop, bottles of various kinds and other containers; and reducing the amount of packaging of products. Often we buy products with a lot more packaging than is required. I understand marketing problems but somehow marketers have to take into account environmental issues and find ways to market with less packaging.

The whole issue of sustainable development is a new issue in foreign policy and newer one in domestic policy. Today it must be a core issue in our domestic as well as foreign policy. Sustainable development is about integrating environmental, economic and social values into decision making. That is very important for our future. If we do not include all three in deciding what will be sustainable for us in the future, how we will live in a sustainable manner and how we will support social and other programs in a sustainable manner, we have big problems. We need to think about how much we value the environment, society and the people in it and the economy. We must consider all these points and not one at the exclusion of others.

When thinking of the environment we must think about how much are interests are endangered. If we realize that we live in a very narrow range of conditions that can support human life and that we can actually affect those conditions, change them and move them outside that range, we realize our interests are in danger.

One great problem for us is to determine how to move toward goals of greater employment that are so important and at the same time deal with tremendous challenges in the environment. That is a major challenge of the next 50 years but I hope we manage to deal with it sooner than that.

Should we increase our emphasis on sustainable development? Clearly the answer is yes. We have done it in foreign policy. We are now doing it by creating a role within the auditor general's office for a commissioner who will report directly to the auditor general and will file a report annually on how the government and all departments are doing in environmental matters. It is very important to keep the government's feet to the fire on environmental matters to make sure it lives up to its responsibilities to promote sustainable development in every aspect of its activities.

I was very pleased to speak on the bill and I urge all members to give it speedy passage.

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

A while ago I invoked Standing Order 43(2). It is my understanding that the member for Davenport would perhaps like to speak slightly more than 10 minutes, if the House has no objection, with the understanding that it would conclude the speakers on the government side.

Perhaps he will speak more than 10 minutes. On the other hand there will be no other speakers so the effect will be the same, if the House agrees.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

• (1640)

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, the debate this afternoon has developed along five major areas of discussion as raised by opposition members.

The first area is whether the independence of the auditor general is in question as a result of the bill. The answer to that question is that it is not. The independence of the auditor general is maintained, is reinforced and is in full tradition developed by the House over the decades.

The second area concerns whether the bill adds an additional layer of bureaucracy and a cost that is unwarranted. Again the answer is no. It is actually a recommendation. As some members of the opposition have indicated, the bill reflects the recommendations made in committee by several members of the opposition to the effect that the measures should be as tight and as task oriented as possible with no unnecessary bureaucracy added to the existing one.

The third area is whether there is intrusion into provincial jurisdiction. This concern has been raised by different speakers this afternoon. The answer is simply no, there is no intrusion envisioned. No passage of the bill can be interpreted as an intrusion into provincial jurisdiction. I will elaborate on that later.

The fourth area raised deals with whether there is an ombudsman role for the proposed commissioner of sustainable development. The answer is probably yes for reasons I will elaborate in a moment.

The final area is whether the bill is in harmony with federal–provincial relations. The answer is also a very positive yes.

The member for Anjou—Rivière–des–Prairies referred to the appearance of the auditor general before the committee. He did us a good service because he reminded us of the important and delicate role the auditor general has to perform. He has to examine the way in which policies are implemented but he does not comment on the policy. We fully agree with that interpretation of the role of the auditor general, as the hon. member for Anjou—Rivière–des–Prairies has stressed. The bill correctly provides for the power to check on the manner in which policies are carried out but not on the content of the policies. The distinction is extremely important and we all agree on it.

What will this commissioner do? The commissioner will measure the performance of each federal department's plan. The commissioner will seek and request that the plan be updated every three years.

Who will prepare the plans? It will be the departments themselves. Some will prepare advanced plans. Presumably the Department of the Environment will want to prove that it is the best. Others will produce less ambitious plans. However the role of the commissioner will be to measure performance against the plan prepared by each federal department.

The word federal cannot be underlined a sufficient number of times. We are talking here about federal jurisdiction and no other jurisdiction. As I said, the plans will be updated every three years to improve their quality. We will learn to walk before we are able to run.

The parliamentary secretary was quoted by the member for Anjou—Rivière–des–Prairies as having said in the earlier debate that the commissioner would act as an ombudsman. The answer is yes. The commissioner will monitor the minister's replies to petitions. In that sense the commissioner will perform the role of ombudsman. The commissioner will also monitor the extent to which departments implement the action plans and departmental strategies, as I mentioned before, and report annually to the Chamber.

• (1645)

In that sense alone the commissioner on behalf of the public will report to the public through the Chamber; a beautiful role and the quintessence of democratic accountability.

The member for New Westminster—Burnaby started his intervention by saying his party supports the general concept but criticizes it because "this will be money spent on status building trappings".

The reality of Bill C–83 is that it is exactly the opposite. This commissioner will not be a status building bureaucrat. This individual will be the right hand of the auditor general and will report to the auditor general. The commissioner will be functioning on all matters related to sustainable development within the office of the auditor general. Therefore the commissioner will be performing in the best sense of the word by doing the most with the least possible budgetary requirements. Instead of creating a separate office the commissioner will be performing and expanding a role which the auditor general has initiated in recent times.

When he appeared before our committee the auditor general did say that some 7 or 8 per cent of his activities and budgetary resources are already devoted to environment and sustainable development matters.

The commissioner will somehow strengthen, widen and build on this role that evidently needs to be given statutory recognition and some resources in order to perform a job which the auditor general cannot perform with the resources available at the present time.

We have somehow come up with a very clever solution that does accommodate the desire to keep budgetary expenses to a minimum and at the same time permits us to assume an

additional role, ensuring the federal jurisdiction does implement its commitment to the sustainable development goal we all have heard about.

Does Bill C–83 add new levels of bureaucracy? The answer is no. Is Bill C–83 a cost effective piece of legislation? Most definitely yes. Will the commissioner be as independent as he or she should be? The answer is yes because the commissioner operates within the independent office of the auditor general. Therefore political pressures are out of the question.

The criticism, which we always take seriously, saying Bill C–83 tries to add bureaucracy and is costly and politically oriented is not founded. Therefore it is important we set the record straight.

Then we come to the member for Laurentides, evidently preoccupied with federal–provincial relations. I do not know whether I could convince her, even if I were to repeat until midnight that there is no provincial interference in this bill. Evidently we have reached the point at which this argument can no longer follow a logical path.

• (1650)

I assure the hon. member for Laurentides there is no danger of interference. There will be neither short term nor long term negative effects on Quebec. There is no danger to the environment of Quebec.

The government does not want to impose itself on provincial jurisdiction. The province of Ontario, which has already an equivalent commissioner for sustainable development, not only did not object to this initiative, it sent its commissioner to appear before the committee. She gave the committee good advice.

If Ontario does not object, why should Quebec? No other province has objected. No other jurisdiction has said anything. I do not recall receiving a letter from the Government of Quebec objecting to Bill C–83 not only during the debate but since the bill was introduced in the House.

The hon. member for Laurentides said her party was far more concerned with the environment than the Liberal Party. I am glad to hear that. If that is the case, I invite the Bloc Quebecois to support the bill, a bill to protect the environment. A good member of Parliament from the province of Quebec should be glad to see any measures which improve the overall quality of the environment because, as we know, environmental issues know no boundaries. The better the entire North American continent performs in economic and environmental matters and in their integration, the better will be the health of the entire population. There is everything to be gained.

With respect to duplications, to my knowledge there is no duplication to be afraid of. On the contrary, there can be a very substantial and significant integration between the role of a provincial commissioner for sustainable development who operates within provincial jurisdiction and the federal commissioner.

Evidently the hon. member for Laurentides is blind to the fact that there is a federal territory. There is the north. Therefore the commissioner will be responsible for what happens on federal lands. Federal lands are quite extensive north of 60.

It is unfortunate both members of the Bloc Quebecois could not resist the temptation to launch personal accusations against the Minister of the Environment. It has now become a permanent habit. I do not want to comment further on the matter except to say what I said on Monday, that we have the best environment minister we have ever had. She has taken very courageous stands. She is the first environment minister who has taken the matter of the *Irving Whale* to heart and begun to do something about it. I do not recall an initiative by the leader of the Bloc Quebecois when he was Minister of the Environment with the previous Conservative government.

I found it amusing when the hon. member for Laurentides objected to section 21(1). She went over each of the points which outlined the purpose of the commissioner. When she reached point (d), meeting international obligations, she said the provinces are never consulted or told about Canada's commitments. That is not true. The provinces are always consulted before the government makes an international commitment. Not only that, in almost every Canadian delegation travelling to an international gathering there is a representative of Quebec or representatives of more than one province. In almost every international delegation the member for Laurentides will not be able to prove that Quebec is not represented.

• (1655)

The amusing part on the point she objected to so much about international obligations, which has to do with the question of the commitment taken by Canada on carbon dioxide, is that it was her leader, the leader of the Bloc Quebecois in 1991 in Bergen, who committed Canada to the question of reducing carbon dioxide emissions. It was he who did it on behalf of Canada.

Today we have this absurdity of the hon. member for Laurentides objecting to an initiative taken by her own leader in 1991. What a sham.

Let us move to point (a) of 21(1). The member for Laurentides says the integration of the environment and the economy will work against the provincial jurisdiction because of procurement policies. This is quite an acrobatic leap of logic, if it can be described that way. The integration of the environment and the economy will be measured within the performance of that particular department.

The member for Laurentides was not a member of the committee when we wrote that report, that is true, so one cannot expect her to know the report well. At least she should know how the bill applies in practice. It will be applied within the performance of a plan prepared by the department. That plan will be submitted to the House of Commons every year for comments. To bring in this red herring of procurement policies is an unusual feat of imagination.

The member for Laurentides also objects to the second principle, the one of protecting the health of Canadians. The health of Canadians is not just a provincial responsibility. We protect the health of Canadians at the border. We protect the health of Canadians in interprovincial matters. No one has the monopoly, and the role of the provinces is extremely important and complements the federal jurisdiction.

It is quite interesting that three weeks ago in Jakarta, Canada managed to obtain the acceptance of Montreal as the winning city in a competition for the biodiversity commission, a remarkable breakthrough in relation to the acceptance and the reputation of Canada abroad in matters related to the environment.

Time is running out and therefore I am not able to deal with the other items that have been objected to by the member for Laurentides in sustainable development. I can only confirm that from preventing pollution to promoting equity, these are not the monopoly of the provinces. These are not the monopoly of the federal government. These are broad concepts that can be adopted by any level of government for the benefit of the public and for the long term benefit of the population, no matter where people live.

Let me put on record, since our international reputation was criticized earlier, what the OECD said in its report a couple of weeks ago. It praised the environmental assessment process. It praised the environmental analysis of legislation we carry out from time to time. It praised the round tables on the economy and environment. Last but not least, it praised the proposed commissioner of environment and sustainable development.

This bill has made it as far as Paris and it has received the support of the international community. It cannot be that bad.

• (1700)

If the Bloc Quebecois members want to live with their heads in the sand and ignore the reality of life in the larger world, that is their choice, but it certainly does not project a proactive, open and intelligent aura.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

And the bells having rung:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(6), the division on the question now before the House stands deferred until Monday, November 27 at the ordinary hour of daily adjournment, at which time the bells to call in the members will be sounded for not more than 15 minutes.

Mr. Boudria: Madam Speaker, I rise on a point of order. I believe you would find unanimous consent to further defer the said vote until Tuesday, November 28 at the conclusion of Government Orders.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Boudria: Madam Speaker, if you were to seek it I believe you would find unanimous consent to call it 6.30 p.m.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

EMPLOYMENT

Ms. Colleen Beaumier (Brampton, Lib.): Madam Speaker, this government's foreign policy includes the commitment to create jobs for Canadians through international trade.

From time to time the government grants export credits to other countries in order to promote investment in Canada. This is a very aggressive means of creating Canadian jobs through international trade. Such a bold policy must be carefully monitored.

Edmund Burke once wrote it is the nature of all greatness not to be exact, and great trade will always be attended with considerable abuses. It is the role of government to identify and minimize these abuses. My purpose today is to identify one aspect in the administration of Canada's trade policy that has led to the loss of many valuable Canadian jobs.

Through the Government of Canada Canadian taxpayers gave an export credit in the order of $200 million to Guangdong province during a visit by a delegation to Ottawa in April 1993. In November of 1994 Nortel announced that it had finalized an agreement with Guangdong province to manufacture and install switching equipment in China. The value of the contract was $200 million. The impact of this agreement was swift and devastating. In March of this year Nortel announced that it was laying off 580 Canadians at its Brampton plant, which brings the total number of jobs lost since 1994 at that plant alone to 1,300. At the same time, Nortel announced it would add 3,000 manufacturing jobs to its plant in Guangdong province over the next three years.

I want to be clear that my quarrel is not with Nortel. Although I am not at all happy that 1,300 jobs have been lost in my riding, I recognize that Nortel's concern is ultimately the bottom line. Its present circumstance confirms it is reacting to market conditions, as Canadian sales have declined while export sales have increased dramatically.

• (1705)

A recent issue of "Report on Business" described the countless hours Nortel invested in winning this contract. Even the first challenge faced by Nortel was a difficult one.

After signing a memorandum of understanding in December 1992, Chinese officials became upset that Canadian parliamentarians were expressing their concerns about human rights violations by the Chinese government. Chinese officials threatened to walk away from further negotiations. Nortel responded by telling Chinese officials that they were with Nortel U.S., not Nortel Canada. Having distanced themselves from Canadian parliamentarians, Nortel finalized this deal a little less than two years later.

This is a valuable case study for parliamentarians. It clearly demonstrates that export credits must be accompanied by assurances that jobs are created in Canada rather than in low wage economies. The focus of job creation through international trade must remain fixed on Canada. The government must move swiftly to ensure strong Canadian labour content in export assistance programs. A strong first step would be to reverse the recent reduction in the Export Development Corporation's Canadian labour content requirements.

We made a commitment to Canadians that we will promote job creation through international trade. This is a commitment we must keep.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): The Canadian telecommunication equipment industry is one of the shining stars in Canada's high technology galaxy. It accounts for 21 per cent of business enterprise research and development undertaken in Canada and is a major employer of university scientific technology graduates. It is a major earner of export revenues. Typically, the small to medium sized enterprises in this business export 90 per cent of their products.

Worldwide, the industry is dominated by a small number of very large corporations that were established on the basis of serving national or regional markets. With the fundamental changes that are taking place in the provision of communications services world wide, the equipment industry is undergoing massive changes of globalization and restructuring. Canada is fortunate that one of these developing global players is based in Canada and maintains its headquarters and large portions of its research and development and manufacturing here. A consequence of these benefits is constant restructuring.

I am certainly sympathetic with the plight of the workers being displaced by Northern Telecom's decision to transfer manufacturing out of its Bramalea facility and convert it into the corporate world headquarters. I know the important role these workers played in building the product that was responsible in large part for the modernization of the Canadian telecom infrastructure and for taking Canada's reputation as a source of quality advanced telecom equipment around the world. I wish them the best as they adjust to their new circumstances. I am pleased that much of the work done in Bramalea is staying in Canada and that job growth is continuing in other areas of the industry.

Sustained success in this business for Northern Telecom and for other firms that comprise the Canadian telecom equipment industry is through access to foreign markets. It is important that we in Canada provide a competitive environment from which to supply the world market.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), a motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 5.11 p.m.)

HOUSE OF COMMONS

Friday, November 24, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BANK ACT

Hon. Douglas Peters (for the Minister of Finance, Lib.) moved that Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions, be read the second time and referred to a committee.

He said: Mr. Speaker, it is a pleasure to launch second reading debate on Bill C–100. The legislation offers concrete, well considered measures to further enhance the safety and soundness of Canada's financial system.

These measures are the culmination of an extensive consultation process. I take this opportunity to extend the government's thanks to the many industry participants and other stakeholders who provided constructive insightful advice and to the Senate committee for its extensive hearings and report. As well I express appreciation to the Standing Committee on Finance for its decision to hold advance hearings on Bill C–100 during the summer parliamentary recess.

The presentations received by the committee were invaluable groundwork for effective clause by clause review of this wide ranging package. It will ensure that the legislation we approve will fulfil the best interests of consumers, financial institutions and their stakeholders, as well as the Canadian economy.

There is no question that sound, secure financial institutions are a fundamental requirement for national economic well–being.

Canada is blessed with a world class system. The financial sector is very much a part of a world of dramatic, accelerating change driven by new technology, by surging globalization, by new consumer demands and by heightened competition. That is why we are introducing the legislation now rather than waiting for the mandate in the 1997 review of financial regulations.

As I said in many forums, we are acting now not because the system is broken, and it surely is not, but to maintain a dynamic, competitive system. We must do our part to help it evolve with market trends and respond to recent experiences. That is why Bill C–100, dedicated to safety and soundness, responds to our experiences with financial institutions that have recently failed.

The changes in Bill C–100 are not patchwork nor band–aid measures. They flow from a series of basic principles outlined in the white paper we issued last February. They include that the ownership of a financial institution is a privilege and not a right, that it is preferable to have early intervention and resolution of institutions experiencing difficulty, that financial institutions must operate with sufficient incentives to solve their problems in a timely manner, and that there must be appropriate accountability and transparency in the system.

The first principle, that ownership of a financial institution is a privilege and not a right, is virtually a given, but good principles are worth reiterating from time to time. More important, we believe the principle leads to an important corollary. In certain circumstances it may mean that the interests of depositors, policyholders and creditors will take priority over the interest of shareholders.

This is why we believe it is necessary to provide the Office of the Superintendent of Financial Institutions, OSFI, with the new powers needed to resolve a troubled firm's problems early on. Financial institutions need incentives to manage their risks adequately. When an institution fails to manage its risks and experiences financial difficulty, it is then to the advantage of depositors, policyholders and creditors of the company to have the situation resolved promptly.

This would not necessarily mean that the institution would be closed. For example, the institution could develop a plan to implement changes that would solve its problems. The simple fact is that early resolution is likely the best way to prevent substantial losses to depositors, policyholders, creditors and potentially shareholders.

The legislation stakes out the clear position that if an institution is facing difficulty owners do not have the right to continue in business until they hit the brick wall and cannot pay liabilities as they come due. This leads to another closely related point. Our regulatory approach must recognize that the failure of a financial institution does not in and of itself represent a failure of the supervisory system.

In a vibrant, competitive marketplace firms can and do fail. No system can forestall every institutional failure unless it is given the authority and the resources to oversee all management decisions and unless institutions are severely restricted in the loans and investments they can make. Canada could not afford the price of such a failure safe system, even if it did work. My experience of almost 40 years in financial institutions clearly indicates to me that it would not. However, even if it did work, the result would be to strip the industry from contributing to the dynamism, growth and evolution of the economy.

One final principle is the need for transparency of the supervisory system. It is important that financial institutions understand the steps authorities could be expected to take if the financial condition of an institution deteriorates. Furthermore the supervisor must have a clearly defined role.

• (1010)

A new legislative mandate for OSFI notes the importance of OSFI taking prompt action to deal with institutions in trouble. The guide to intervention we have also set out clarifies the actions that could be expected and the role of OSFI and CDIC.

I have highlighted the key principles underlying our proposed legislation. Let me now turn to some of the specifics of Bill C–100. The legislation includes amendments to what are collectively referred to as the financial institution statutes including the Bank Act, the Trust and Loan Companies Act, the Insurance Companies Act and the Co–Operative Credit Associations Act.

A key thrust of the new regime as highlighted is to allow the superintendent, where circumstances warrant, to take control of a troubled institution earlier than at present including the authority to close an institution before its capital is depleted.

The function of the Minister of Finance will also be affected. He or she will no longer have to come to an independent view of the solvency of an institution. The legislation places this responsibility more appropriately in the hands of the regulator involved with the day to day activities of the instutition.

Other changes are being made to move responsibility for approving matters of a more technical, supervisory nature from the minister to the superintendent. The minister, however, will continue to play a key controlling part in the process with final responsibility to determine whether or not it is in the public interest to close an institution.

Increasing OSFI's scope for early intervention provides an incentive for problem prevention, not just a means of resolution. Under the proposed legislation troubled financial institutions will understand that OSFI will take action if its concerns are not dealt with promptly.

Another important element of Bill C–100 deals with information, which is a critical commodity for effective public and regulatory decision making. That is why we are amending the statutes to facilitate the release by federal financial institutions and by OSFI of more information on the financial condition of institutions. I do not, however, believe that financial institutions or OSFI should disclose information regarding regulatory actions. Doing so could create self–fulfilling prophecies with detrimental consequences for the institutions.

I emphasize that OSFI's role is not and cannot be to micro manage financial institutions. Nor do we deploy an army of examiners to scrutinize federal financial institutions. That is why we must place constant emphasis on corporate governance. The boards of directors are on the frontlines ensuring problem prevention and good management. Bill C–100 takes important steps to strengthen the effective, independent corporate governance that is a vital part of strong, prudential framework.

First, the legislation proposes that the superintendent will have the power to designate certain directors as affiliated for purposes of the requirement that one–third of directors of an institution be unaffiliated.

Second, the legislation proposes changes that will prevent the board of a financial institution from being identical to an unregulated parent firm. This will help ensure there are directors of a regulated institution who will focus primarily on the institution's interests.

Third, the legislation will empower the superintendent to veto the appointment of directors and senior officers of troubled institutions.

Legislative amendments are being made for insurance companies so that the superintendent can employ the services of an external actuary at the company's expense in certain circumstances. There will also be a separation of the function of corporate chief actuary from certain other executive positions to avoid potential conflicts. OSFI will have the explicit authority to develop standards of sound business and financial practices for insurance companies.

Now let me turn to the amendments that Bill C–100 makes to the Winding–up Act. As part of the early intervention policy these amendments will provide additional grounds for obtaining a winding–up order for a financial institution.

• (1015)

The act is also being amended to provide more flexibility to restructure, under court supervision, the affairs of insurance companies in liquidation. As a result of these provisions a liquidator will have greater scope to enhance the value within the estate and improve recovery of assets disposed of by the liquidator, all of which will go to the benefit of policy holders.

The principal changes are designed to provide for earlier closure of problem federal financial institutions in cases where this would reduce the loss to consumer stakeholders.

I will touch on a third area of action under Bill C–100, the amendments to the Canada Deposit Insurance Corporation Act, or the CDIC act. This is another aspect of our emphasis on the principle of incentives for timely problem solving. The act is being amended to allow the CDIC to develop a system of varying premiums on member institutions based on the risk rating of specific firms, reflecting the risk they could bring to the deposit insurance fund.

The risk rating would provide a clear signal from the CDIC to the company's board of directors and management concerning the level of risk. More important, such an approach will recognize firms for good management.

As well, the government is making changes that will allow the CDIC to act as receiver of an unhealthy member institution's assets and to sell those assets along with a package of liabilities to a healthy institution. This should permit CDIC to obtain more value than it would if the institution was liquidated and its assets sold.

I want to turn to a final important area of change proposed by Bill C–100, which is one dealing with transactions between financial institutions here in Canada and with the rest of the world.

Through this legislation we are proposing a new act, the payment clearings and settlement act. It is designed to ensure that major clearing and settlement systems for financial transactions are designed and operated properly.

By the term "properly" we are addressing two clear concrete objectives. The first objective is to reduce or eliminate systemic risk to the Canadian financial system by ensuring that the failure of one participant in a clearing system will not lead to a domino effect by bringing down other members of a group. Second, it will enhance the international competitiveness of Canada's clearing and settlement systems.

The key components of the legislation are as follows. They will give the Bank of Canada explicit powers in the oversight of clearing and settlement systems that are potential sources of systemic risk. Again I emphasize systemic risk. Systems designated by the bank would be subject to bank oversight.

Second, they will provide the Bank of Canada with the capacity to participate in aspects of these clearing and settlements, such as the large value transfer system, or LVTS, as well as to serve special functions, such as guaranteeing settlement.

Third, they will give statutory recognition to netting arrangements in payments and other clearing and settlement systems in order to ensure that Canadian participants in derivative markets have greater certainty that their transactions will close. This will ultimately mitigate systemic risk.

I want to dispel concerns raised by the Quebec government last August. Systemic risk is an issue internationally and it is the central banks that have led in the development of measures to deal with systemic risk concerns in various fora, such as the Bank for International Settlements, the BIS.

Let me be very clear. The proposed federal legislation is not aimed at, nor will it result in, the regulation of securities markets. The focus of the Bank of Canada's oversight role is very different from that of the provinces. It does not in any way infringe on any province's jurisdiction.

• (1020)

I have talked at some length because this legislation covers much ground and deals with important issues. I believe Bill C–100 will help Canada's financial sector preserve and improve its world class stature to the benefit of all stakeholders and all Canadian citizens.

The measures we have proposed strike a critical balance between on the one hand, protecting the rights of depositors, policyholders and creditors and, on the other hand, facilitating innovation and growth in economic activity.

Canadians expect the government to ensure that their hard earned savings and investments will be well protected. The legislation will ensure we have the best and most efficient regulatory system, one that recognizes the interests of policyholders, depositors and creditors as well as one that promotes dynamic economic growth.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I am pleased to rise on the subject of Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions. Permit me first to say that the Bloc Quebecois disagrees with three aspects of Bill C–100.

The objectives of the bill are highly laudable, particularly the one aimed at reducing the potential for systemic risk—the creation of the domino effect—within financial circles. For those who are not familiar with these financial terms, there is potential for systemic risk when one financial institution is unable to meet its obligations and drags the entire financial sector along with it. It is a sort of domino effect where one institution is unable to pay another, the other cannot pay the next, and so on. In short, we end up with a financial catastrophe such as we saw recently in western Canada.

Reducing the potential for systemic risk is highly laudable. However, when it serves as a pretext to slip through the back door into exclusive provincial jurisdiction, and specifically that of Quebec, it is no longer acceptable. I refer here to the securities sector. Securities do not escape from the application of the new provisions on financial institutions. Under subsec-

tion 92(13) of the Constitution Act, 1982, jurisdiction over the securities sector is a matter for the provinces, for the Government of Quebec.

This jurisdiction, based on the Government of Quebec's exclusive powers over property and civil rights, was confirmed by the case law of the Supreme Court of Canada, which added provincial regulation of the securities market to property and civil rights. It has been clear since 1982. Now the bill is directly targeting the field of securities.

This is strange. We are barely over a constitutional debate, a referendum campaign, in which our colleagues opposite argued: "Yes, we will make certain changes to the system. Yes, we will respect Quebec's jurisdiction. Yes, we will have a good understanding in the future". This is what they told Quebecers, they said: "If you vote no to Quebec sovereignty, things will go well, you will see". A few weeks after the result, Quebec is being treated with arrogance and cynicism with the tabling of a bill such as Bill C–100.

What is more, this bill, in addition to invading Quebec's exclusive jurisdiction, accords unheard of powers to the Bank of Canada and the Department of Finance.

• (1025)

I am referring to the provisions on pages 117 and 118 of the bill, which stipulate that the Bank of Canada may enter into an agreement with a clearing house or a participant, or both, in respect of: netting arrangements; risk sharing and risk control mechanisms; certainty of settlement and finality of payment; the nature of financial arrangements among participants; the operational systems and financial soundness of the clearing house.

In addition, the Directives section of the bill provides that, and I quote: "Where the Governor of the Bank is of the opinion that a clearing house or participant is engaging in or is about to engage in any act, omission or course of conduct that results or is likely to result in systemic risk being inadequately controlled—the excuse of systemic risk, or—that the designated clearing and settlement system in respect of the clearing house or participant is operating or is about to operate in a way that results or is likely to result in systemic risk being inadequately controlled, the Governor may issue a directive in writing—not a proposal or suggestion but a written directive—to the clearing house or participant requiring it to cease or refrain from engaging in the act, omission or course of conduct, and perform such acts as in the opinion of the Governor are necessary to remedy the situation".

Do you know what this means? It means that the Governor of the Bank of Canada could issue directives not only to clearing houses but also to participating institutions telling them how to conduct their business. It means that, if the institution is a participant, as specified in this provision, the Governor of the Bank of Canada could tell this institution what to do; it makes no difference whether this institution is a provincially chartered bank or a player in the securities industry.

Under this bill, the Governor of the Bank of Canada may issue directives to a clearing house or a participant. This means that he could—he has the authority to do so—issue directives to an institution like Fiducie Desjardins, Lévesque Beaubien Geoffrion and Leclerc, and Desjardins' central branches for example. These are all provincially chartered institutions in the securities industry. Such an invasion is unacceptable.

I would say that this invasion is even worse than the recent federal invasion in the area of manpower training for example. It is worse in the sense that it touches one of Quebec's sacred cows. It touches an area under the exclusive jurisdiction of the Government of Quebec, as recognized in the Constitution imposed on us by the current Prime Minister in 1982.

It takes a great deal of self–righteousness and cynicism to do something like that.

Mr. Boudria: Thank you for your generosity.

Mr. Loubier: I can hear my Liberal colleagues, and the Liberal whip in particular, scoff at the arguments we are putting forward.

Mr. Boudria: Not at the document, at you.

Mr. Loubier: I would tell the hon. member that his friend Daniel Johnson, in Quebec, Daniel Johnson himself took offence at this federal invasion. Daniel Johnson himself wrote to the Minister of Intergovernmental Affairs, because he found appalling that a bill has been on the table since last year to invade one of Quebec's areas of jurisdiction.

So, Mr. Speaker, when even strong federalists like Daniel Johnson, like the government whip who scoffs at the arguments we put forward, take a stand similar to ours, this goes to show that there is major consensus on this issue in Quebec.

It is a unfortunate that the people across the way show this kind of an attitude. Instead of listening to our arguments and amendment proposals concerning the bill, they poke fun at us. Such an attitude is unacceptable in this House, and it has been going on for about a month, since the end of the referendum campaign.

I do not know if you can do something about it, Mr. Speaker, but I would really like our friends opposite to listen to what we are suggesting instead of acting like they are this morning, throwing arguments without substance at us and mocking us.

Can you call for order, please, Mr. Speaker? He is making me lose my concentration.

The Acting Speaker (Mr. Kilger): Sometimes the House gets somewhat animated and that is understandable. However, following the request made by the hon. member for Saint–Hyacinthe—Bagot, I am asking for the co–operation of the House, so that members who have the floor can speak in an atmosphere of mutual respect.

• (1030)

Mr. Loubier: Thank you, Mr. Speaker. It is rather unusual to see a whip get involved at this stage.

I was mentioning the powers given to the Bank of Canada regarding clearing and settlement houses. Let me quote the brief recently submitted by the Quebec securities commission: "The powers given to the Bank of Canada regarding the clearing and settlement system would constitute an infringement on the authority given by the Quebec legislator to the securities commission. Most of the powers given to the Bank of Canada are a replica of those delegated to the Quebec securities commission more than 10 years ago. The only difference is that the Bank of Canada's authority, as provided in the schedule to Bill C–100, is based on a desire to control the systemic risk by invoking the national interest, while the authority of the commission relates to the overall market regulations".

If we look at the bill, we see, given the schedule and the new powers delegated to the Bank of Canada, that the bank, through its authority to give directives to a clearing house and a participant, does exactly the same as the securities commission. For example, under Bill C–100, the Bank of Canada would exercise powers which are an integral part of the authority given to the securities commission, such as giving clearing houses and their participants directives akin to an order to do or not do something. Such power is given to the Quebec securities commission through its incorporating act.

"Since the Bank of Canada should be informed of any change in the internal regulations and rules of operation of the clearing houses, this means that it exerts a supervisory power over these changes. The Commission des valeurs mobilières also has the power to approve these modifications. Finally, the Bank of Canada is empowered to inspect clearing houses, which duplicates the power assigned to the Commission". This is a quote from the Commission des valeurs mobilières.

Not only, then, is there encroachment on an area of jurisdiction that belongs exclusively to Quebec, but they have also taken the luxury of creating duplication and overlap in times of austerity budgets, after all we have heard from across the way in that connection. After hearing the Minister of Intergovernmental Affairs, the Prime Minister himself even, saying that action will be taken to reduce duplication and overlap, now we are presented with a bill that does exactly that, creates a double structure, a double role, that encroaches on an area of Quebec jurisdiction, that makes institutions such as the Bank of Canada duplicate the work of others. It is inadmissible and nearly unbelievable on the one hand, and on the other it creates flagrant inefficiency through overlapping of resources in the area of financial institutions.

As for systemic risk, as I have said, we agree with the objective of reducing it. It is a most praiseworthy objective and one shared by all nations throughout the world. It is, however, a false pretext for giving such a broad and powerful mandate to the Bank of Canada, particularly in an area of jurisdiction that belongs exclusively to Quebec, securities.

All that the government could do to reduce systemic risks would be to improve what is called the large value transfer system, by putting into place an electronic clearing system which will ensure the final character of the clearing transaction, and will make it possible to pay out, perhaps not immediately, but within the day. If the Secretary of State is familiar with such a system—and I am not convinced that he is all that familiar with it, judging by the responses he gave to the finance committee, but let us assume his familiarity—this was specifically one of the recommendations by the internationally renowned group of 30. This was precisely what they said in 1989, that it was necessary to implement and perfect a large value transfer system, so as to reduce the systemic risks on the financial market.

• (1035)

This recommendation by the Group of Thirty was so good that the Governor of the Bank of Canada, speaking to members of the financial community this summer before he appeared before the finance committee on August 15, acknowledged that it was enough to improve the large value transfer system in order to reduce, and in fact, if I remember correctly, he did not say reduce, he said eliminate, in referring to the most ambitious risk taking that went on, more ambitious than most people are prepared to undertake. In other words, to eliminate systemic risks, all we had to do was improve the large value transfer system.

There is no need to intrude on the jurisdictions of the Government of Quebec. There is no need to give the Governor of the Bank of Canada extraordinary powers to issue directives to provincial chartered institutions involved in the securities sector. There is no need to create unnecessary friction between the federal government and the Quebec government. All we have to do is improve the large value transfer system. That is all.

So why does it again boil down to encroaching on one of Quebec's jurisdictions? Why give the Governor of the Bank of Canada considerable powers and take away from the Government of Quebec its power to control the development of the securities sector? Why?

Again, I put this question to the Governor of the Bank of Canada on August 15, but I did not get an answer. I asked him about the difference between the speech he made before the

finance committee and the one he made this summer, when he said: "I do not need additional powers; all I need is a better large value transfer system". The debate became very political, and I agreed with the Governor of the Bank of Canada that his role was not that of a politician. However, I think everyone realized that the federal government was again trying to centralize all powers, including prerogatives explicitely recognized under the Constitution Act, 1982.

In fact, as I pointed out earlier, this is not sovereignists against federalists, it is simply a matter of common sense and of respecting the prerogatives of Quebec as conferred on the province by the Constitution. So much so that on February 16, 1994, when the federal government's intentions with respect to financial institutions were already known, and the bill was already on the table, not the bill as such but the proposals to invade the securities sector, Daniel Johnson, the Premier at the time who was to be Premier for a short while yet, wrote to the President of the Privy Council and the Minister of Intergovernmental Affairs, the hon. member for Hull—Aylmer, to tell them that he disagreed with the bill.

With your permission, Mr. Speaker, I will quote what he said: "Perhaps I may remind you, first of all that the Government of Quebec has never supported an expanded federal role in the securities sector, which is the exclusive responsibility of the provinces". This is not Mr. Campeau or Mrs. Marois but Daniel Johnson when he was Premier of Quebec. I will continue: "In fact, it has regularly indicated it was opposed"—strong language for Mr. Johnson—"to federal initiatives in this respect, as were several other provinces regarding the recent reform of federal legislation on financial institutions, which came into force in June 1992".

I will continue this quote from Mr. Johnson's letter: "In the quinquennial report she tabled in the National Assembly last December, the minister responsible for finance reiterated Quebec's concerns about the federal bill to regulate the securities sector which would be part of this legislation. She stressed that federal regulations would be inappropriate, both constitutionally and from the point of view of efficiency". This still according to Mr. Johnson, a staunch federalist, who in this letter warned the federal government against meddling with the securities sector, which is Quebec's exclusive responsibility.

To continue with the letter from Mr. Johnson, who is still a federalist today: "Such regulations would mean duplicating both existing regulations and the supervision involved and would inevitably add to the administrative and financial burden on issuers, investors and intermediaries". Mr. Johnson goes on to say the following: "If the purpose is to reduce duplication and improve efficiency, it seems to me it hardly makes sense to create a new structure and additional regulations".

As I said before, if the Bloc Quebecois and Daniel Johnson agree, it is because a broad consensus exists in Quebec.

• (1040)

The federal government must amend its bill in order to withdraw from the area of securities, which is a field of exclusive jurisdiction for the Quebec government. This is the unanimous feeling in Quebec. It must not invade this area. It must not give the Governor of the Bank of Canada and the Minister of Finance new powers to issue directives not only to clearing houses, but also to participating institutions or establishments.

It must not give the Governor of the Bank of Canada powers to issue directives to the Fiducie Desjardins, for instance, or Lévesque Beaubien Geoffrion and Leclerc, or the Caisses centrales Desjardins. This is none of its business. This is the Bloc's position in this matter.

The Quebec finance minister is still waiting for an answer to a letter he sent the Minister of Finance on August 15. No abuse. The Quebec government does not need the kind of abuse it got from the Minister of Finance the day after he received the letter. All the Quebec government wants is explanations, assurances and changes to Bill C–100.

To this day, these basic requests have remained unanswered by the federal government. This is not normal, especially since federalists claim to be open to reforms and willing to foster greater harmony between Quebec and the federal government, and eliminate inefficiencies and duplications. Between words and actions, there is a big gap, not to say a huge discrepancy.

There are two other aspects of the bill which annoy the official opposition. The second aspect of Bill C–100 with which Quebec has a serious problem is clause 133, the clause dealing with the Winding–up Act. The notion of insolvency is broadened—we acknowledge that it is an area of exclusive federal jurisdiction—but by broadening it once again the federal does not take into account the role of a major player in Quebec, namely the inspector general of Quebec financial institutions.

I can hear them laughing and mocking on the other side. This is the kind of reaction we have been getting for the last month whenever we tell the truth. the pretence of wanting to increase stability and reduce uncertainty in the financial sector, they added a player and thereby added the possibility for dispute by institutions which could be found wanting by Quebec's Inspecteur général des institutions financières.

That opens the door to disputes which could go all the way to the Supreme Court. Let me give you an example. If the inspector general sees that an institution is not fulfilling its obligations and issues directives that it must follow, and then the institution, with the new bill, the new provisions respecting the Winding–up Act, decides to ignore these directives, it may do so because the bill adds some ambiguity, it adds another player whose objec-

tives and powers are exactly the same as those of the Inspecteur général des institutions financières.

Therefore, they say they want to increase the predictability of the financial market, they want to eliminate uncertainty and reduce systemic risk, but they are adding another element, which could interfere with the decisions and the orientations of Quebec's Inspecteur général des institutions financières.

If this is what they mean by reducing uncertainties, increasing stability, we are no longer on Earth. We are on another planet. With this bill, the federal government is stretching the notion of insolvency, it is creating uncertainty on the financial market and ambiguity in the evolution of institutions in the financial sector, which could adversely affect the proper operations of these institutions.

This will not improve anything, this bill does not propose improvements. What the bill proposes, I tell you, is quite harmful. At a time when financial institutions, as everybody knows, need stability and certainty, a federal bill is adding uncertainty to the market. It is adding a nebulous provision, which will deny the Quebec Inspecteur général des institutions financières his exclusive role; his directives will no longer be exclusive. Which directives will financial institutions abide by? Those of the Quebec inspector general or those issued by the federal government under Bill C–100?

• (1045)

The financial sector can do without such ambiguous situations. It is hard enough to manage in this sector without possible challenges over the role of the Quebec Inspecteur général des institutions financières and without added uncertainty.

There is also a third aspect of the bill which raises questions, and this will be my last point. It is on page 11 of the bill where it says: "from now on, premiums payable to the Canada Deposit Insurance Corporation will be based on a risk factor assessed by the institutions". The principle may be excellent, but once again, they are disregarding a Quebec institution in the area of securities called the Régie de l'assurance–dépôt du Québec, which did not consider necessary to implement this kind of system and was never consulted on the rating system that the federal government is trying to implement through the Canada Deposit Insurance Corporation.

We have mixed feelings about this new rating system, which will set the rate which will apply to a given institution following a risk analysis. Let us take for example Fiducie Desjardins; it is just an example, but let us take this one. About 95 per cent of its deposits are from Quebec and only 5 per cent from the rest of Canada. With this bill, the Canada Deposit Insurance Corporation would be empowered to give Fiducie Desjardins a bond rating on 5 per cent of its deposits on a Canadian basis. It would issue a rating on only 5 per cent of its deposits.

By issuing a rating on 5 per cent of deposits, this rating becomes a signal for all financial markets, including in Quebec. This signal can be as private as the one given by ratings from agencies such as Moody's, Standard & Poor, Dominion Bond Rating and Canadian Bond Rating. If this rating becomes public—and there is a risk that it will—, that would mean that Fiducie Desjardins, which would have been rated according to the risk associated with 5 per cent of its deposits, would be given this rating for all its deposits. In other words, that would become a risk signal for 100 per cent of Desjardins' deposits. And this risk is very real.

These are the three aspects I wanted to underline and for which we did not get a satisfactory answer from the government when Bill C–100 was tabled this summer. We hope that the analysis that the official opposition has just made will result in valuable answers from the government and that, when Bill C–100 is examined clause by clause, the government will propose amendments to assure us that, first of all, Quebec's exclusive jurisdiction, that is its securities sector, will be respected.

Second, no extraordinary powers must be granted to the Governor of the Bank of Canada just to reduce the systemic risks of issuing guidelines to the clearing houses and the participating institutions. So, no new powers must be granted that would directly infringe upon the powers of the Quebec Securities Commission.

We must also eliminate the new role given to the Deposit Insurance Corporation, which could lead to an increase in financial market concentration and also to a rating that would apply to all deposits made in Quebec institutions, but not just to the deposits made elsewhere in Canada.

Third, the broadening of the concept of insolvency must not be used to circumvent the role of the superintendent of financial institutions in Quebec.

So, these are the three provisions that bother us, and we will try hard to urge the government to amend them. We hope that the government will respond to these three objections made not only by the official opposition, but also by the Government of Quebec and even the leader of the opposition at the National Assembly, Daniel Johnson.

• (1050)

If the government does not apply these amendments, we shall propose, during clause by clause consideration of the bill, amendments to Bill C–100 that will meet respond to these objections.

[*English*]

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the expressions of the Bloc member are an absolute classic example to the House and to all Canadians that Her Majesty's Loyal Opposition fundamentally represents or thinks that it represents 25 per cent of the people resident in Canada.

I took particular note of the fact that the prairie provinces, British Columbia, Ontario and the Atlantic provinces somehow were completely apart from any concern of the so–called official opposition. I find that exceptionally unfortunate.

For the duration of this Parliament the Reform Party has been the national opposition. I will be responding to the bill in light of our concern on behalf of all Canadians no matter where they live, including in the province of Quebec.

I should like to put on the record the Reform Party understanding of the bill. It brings amendments to the Bank Act, Co–Operative Credit Associations Act, Insurance Act and Trust and Loan Companies Act dealing with first, the disclosure of information; second, the elimination of appeals in relation to certain matters; third, the disqualification of persons from becoming officeholders in an institution; fourth, the taking of control of an institution by the Superintendent of Financial Institutions; and, fifth, changes to the duties of the superintendent.

There are also amendments to the Winding–up Act respecting, first, the circumstances and procedures for winding up an institution and, second, a revised part III dealing with the restructuring of insurance companies. There are also amendments to the Canada Deposit Insurance Corporation Act. It is this area that I will be addressing in the balance of my speech.

Continuing with our observations, the amendments to CDIC concern, first, the business affairs of the corporation; second, the restructuring of institutions by means of vesting of shares and the corporation becoming a receiver; third, the assessment and collection of deposit insurance premiums; and, fourth, the enforcement of the act.

As I mentioned, the amendments to the Canada Deposit Insurance Corporation Act is the primary concern of the Reform Party. The bill is as a result of the government's review of the safety of financial institutions. It follows upon failures of a number of financial institutions and is the government's response to concerns regarding financial institutions. We also note that the bill is a prelude to the Bank Act review scheduled for 1997 that promises to be much wider in scope.

I have been approached in my office by a number of people with respect to the Bank Act review. There is much concern on the part of businesses with respect to the encroachment or the potential further encroachment of the chartered banks into the insurance business. I look forward to the review in 1997.

As I noted at the start of my speech, the Bloc Quebecois is being irresponsible in its position as official opposition in that it is very myopic in taking a look at the concerns of only 25 per cent of Canada's citizens, but I would be remiss if I did not make some comments about the government.

The bill we are speaking to today is important. It concerns the fundamentals of controlling money or at least the affairs surrounding money. Money as the medium of exchange whether it be in Canada or around the world must have government control. We respect that the act is of some value. However, in the context of all other legislation or non–legislation the government has been bringing forward and the way it keeps taking us as parliamentarians through a void of any meaningful legislation, the act although important to Canadians is yet another way of getting around the fact that we should be getting on with other affairs that are important to Canadians rather than simply wasting time on housekeeping issues.

• (1055)

I do not suggest that the act is a waste of time. I am just saying that it falls into the context of avoiding any review of UI, for example. There are all sorts of leaks to the press about what will be happening with UI and about items promised by the government over the last two years about which nothing has happened.

Speaking specifically to the bill, there is a very little difference between the thought processes of the Liberals and the Conservatives. Liberal, Tory, same old story. The same kind of thought processes would come from either of the old line parties. The Liberals are trying to engineer results of the gain. With the act, particularly as it relates to the Canada Deposit Insurance Corporation, they are continuing to attempt to interfere in the natural process in the marketplace. Liberals, as was the case with the Conservatives, want to engineer the results of the gain. They want to make the rules of the game such that they can ensure what the results will be.

Basically this imposes external and extraneous pressure on an international commodity such as the trading medium of money. It brings values into the marketplace that would not be there if it were not for blatant government interference, as is shown in its proposals relative to the CDIC.

It makes me think a lot of the way that the Liberals and their predecessors, the Tories, have gone about interfering in the marketplace in the area of regional development and regional development grants. There is an absolute parallel between regional development and the way they are looking at the CDIC amendments.

In regional development we see countless Canadian dollars going into marketplaces under western economic diversification, FORD–Q, ACOA or any other program. The Canadian taxpayers' money squandered through these programs basically ends up distorting the marketplace. Why? It is because most frequently they end up supporting non–competitive companies that cannot make it on their own. There is no natural cleansing process to the marketplace. The biggest problem that creates is distortion or disadvantage for the firms that are competitive.

It is tremendously ironic that the competitive, healthy firms are paying the taxes. Their taxes are being taken in by big government, by the Liberals, and in turn are being put into firms that are less competitive, thereby creating competition for the firms that are competitive. The bottom line is that it costs taxpayers lots and lots of money.

The Acting Speaker (Mr. Kilger): I hesitate to interrupt the hon. member, but it being 11 a.m., pursuant to Standing Order 30 the House will now proceed to Statements by Members pursuant to Standing Order 31.

The hon. member for Kootenay East will have his remaining time after question period and daily routine of business.

STATEMENTS BY MEMBERS

[*English*]

LEGISLATIVE ASSEMBLY OF NORTHWEST TERRITORIES

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

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

[*English*]

This week the newly elected members of the Northwest Territories Legislative Assembly selected their government leader and cabinet. Of the eight–member cabinet, four are from the Eastern Arctic and four are from the west. There is one female, and there is Inuit, Dene, and Métis representation in the cabinet.

Congratulations to veteran MLA and former cabinet minister Don Morin as the new premier of the Northwest Territories. I congratulate as well John Todd, Kelvin Ng, Manitok Thompson, Goo Arlooktoo, Jim Antoine, Charles Dent, and Stephen Kakfwi as new cabinet ministers.

On behalf of the Government of Canada, I wish the new territorial government well. There are many challenges ahead of us leading up to the division of the territories in 1999. We look forward to working closely and co–operatively with the new government.

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NATIONAL UNITY

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, we learned this week that the leader of the separatists will soon be leaving the House to become the anointed premier of Quebec. Constituents in my riding will be happy to see his anti–Canada rhetoric exiting the House.

Meanwhile, the other 52 Bloc members appear to be in for the long haul. After all, they did vote in favour of the MPs pension plan and they are very comfortable sitting here receiving their federal salaries and their federal perks at the expense of the Canadian taxpayers.

Most Canadians are sickened at seeing the separatists continue to sit in the House. They have every right to feel that way, because the Bloc is committed to the destruction of Canada.

If constituents in my riding had their way, Bloc members would be dragged kicking and screaming from the House and charged with treason.

The Speaker: Colleagues, we cannot use words taken from another source and repeat them in the House. We have to claim them for our own.

I would like the hon. member to please withdraw the last line of his statement and I would ask him to do so right now.

Mr. Harris: Mr. Speaker, I apologize. I was reflecting the thousands of comments I have heard. If I was out of order in the House, I do withdraw that.

The Speaker: I thank the hon. member, and I would encourage all members of the House to stay away from this type of language, either in statements or in questions. I appreciate very much the hon. member's withdrawing. I do not think it does us any good in the House to use these types of terms.

The hon. member for Victoria—Haliburton.

* * *

PAGE PROGRAM

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, in each session of Parliament I offer a challenge to the pages who serve us in the House of Commons. The current group was given the challenge of producing a picture of their home area. The contest included a box of Crayola crayons, which are produced in my riding of Victoria—Haliburton in the town of Lindsay, and a single piece of white paper. The contest was judged by Hélène Monette, a security guard in the lobby.

This session's winner is Katheryn Lyons of the Montreal–Kirkland area. Congratulations to all the pages who took part in the contest with such enthusiasm.

If members wish to view the art work, it is on display in the government lobby. The prize is an assortment of Crayola products and a certificate to prove the bragging rights that go with winning any contest.

* * *

LINCOLN AND WELLAND REGIMENT

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I am sure you will be pleased that a clerical oversight that deprived the Lincoln and Welland Regiment of two World War II battle honours has finally been corrected.

• (1105)

Regrettably, the regiment failed to receive honours for the unit's final two battles when scrolls were presented to Canadian military units in 1951. The oversight was recently detected, and scrolls citing exceptional conduct and courage at the Battle of Kusten Canal in April 1945 and the Battle of Bad Zwisehenahn in May 1945 were presented at a reunion for veterans.

Seventy–two men of the regiment died and approximately a hundred more were wounded in these two campaigns. These two scrolls recognizing the regiment's efforts in these two very intense battles during the closing days of the war are proudly placed on the armoury wall beside sixteen others.

Peace and freedom were purchased for us with the sweat, toil, tears and blood of those like the Lincoln and Welland Regiment who walked the road before us. My congratulations go out to the Lincoln and Welland Regiment for this well deserved honour. My sincere appreciation goes out to veterans everywhere.

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HANS DAIGELER

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I rise in the House today to pay tribute to Mr. Hans Daigeler, who tragically died on November 9, 1995, at the young age of 50 years.

Hans represented the provincial riding of Nepean from 1987 to 1995. He was a very special man, whose basic goodness impacted on all of us who knew him. His loyalty to the riding of Nepean and its people was legion. This commitment permeated his community, his province, and his country through all his interventions in the Ontario provincial legislature.

I knew Hans well. He was both my friend and my provincial Liberal colleague. His memory will live on through the dignity, compassion and justice that he so personified. To his wife Beverly, his son Christopher, and daughters Elyssa and Amanda, I offer my heartfelt sympathy.

We will miss you, my friend.

[*Translation*]

CP RAIL

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, CP Rail's move enlightens us on the lack of ethics shown by the no side during the referendum campaign. They told Quebecers that a yes vote could lead to a move by CP Rail when the decision had already been made for business purposes only. And two days ago, the Prime Minister added insult to injury when he blamed sovereignists for the move of CP Rail's head office.

To have the Prime Minister tell us that Quebec's economic problems are caused by the sovereignist movement is an insult to all Quebecers who work hard to build a strong Quebec.

The Prime Minister should stop playing politics on the back of Quebecers and support them by addressing the real problems. After all, he is the Prime Minister of all Canadians, including the 49.4 per cent of Quebecers who voted yes in the referendum.

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[*English*]

CANADIAN NATIONAL RAILWAYS

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, yesterday the government spoke with pride about what a great price it is getting for CN Rail shares and how selling them in foreign countries helped to increase that price. What really helped to increase the share price was the amount by which the government reduced CN's debt.

In committee the government talked about reducing CN's debt by approximately $1 billion and that very little if any would actually come from the Canadian taxpayer. In reality, the government reduced CN's debt by $1.4 billion, and all of it came from the taxpayer except for what can be realized from the sale of non–rail real estate assets with a book value of $235 million and no appraisal to the contrary.

This pay–down may well have contributed to the enhanced share price. However, if the government is going to use Canadians' tax dollars to enhance the value of shares, should it not have offered the first chance of those shares to Canadians? As it now stands, 40 per cent of those shares are being sold outside of Canada, despite the fact there appears to be sufficient interest inside Canada. If this government is going to continue to run huge deficits, at least let Canadians be the beneficiary of that debt.

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FORESTRY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, the management of forest resources in Yukon has been one of the most mismanaged federal issues I have ever seen in my years in Yukon. The lack of a comprehensive forestry policy has resulted

in sit-ins, week long demonstrations, and lawsuits. Surely this has to be a wake-up call that all is not well.

The only positive thing that can be said about the federal government's handling of this issue is that its ineptness has managed to unite the politicians of all parties, First Nations, loggers, and a very large percentage of the population. It should do so well on national unity.

Northern affairs has managed to introduce casino logging by calling three lotteries for timber permits and then cancelling them. It has not instituted the promised forestry advisory committee on reforestation and has caused unnecessary expenditures by both First Nations and taxpayers for failing to foresee the possibility of legal action.

The minister of Indian and northern affairs must take charge, do a full review of the management of northern affairs in Yukon, and institute immediately a full and public review of forest policy.

* * *

• (1110)

CANADIAN SPORTS HALL OF FAME

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, last November 9, six Canadians were inducted into Canada's Sports Hall of Fame: Bob Gainey, who played with the Montreal Canadiens for 16 years and was a key part of five Stanley Cup winning teams; Paul Henderson, who scored the winning goal for the Canadian hockey team in the series of the century against the Soviet Union in 1972; Kerrin-Lee Gartner, who won a gold medal at the 1992 Albertville Olympics in downhill skiing; Mark Tewksbury, who won a gold medal in the 100 metre backstroke event at the Barcelona Olympics in 1992; Paul Dojack, a Canadian Football League official for 24 years, involved in 550 games, including 14 Grey Cups; and Debbie Muir, head coach for our national synchronized swimming team from 1981 to 1991, who shared in the success of Carolyn Waldo, Sylvie Frechette and many others.

Congratulations to the six new members of the Sports Hall of Fame and best of luck to all up and coming athletes, coaches and officials.

* * *

SMALL BUSINESS

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, recently the industry committee and Canada's major banks agreed to a set of small business lending standards that will benefit all Canadians. This represents progress for the small business men and women in this country. It is an example of what can be accomplished when industry officials and federal politicians work together to achieve change.

Small business constituents can now insist their lenders adhere to a code of conduct. They can take advantage of an alternative dispute resolution system. They can take complaints to an internal ombudsman, and if they are still not satisfied they will now have access to an independent industry-wide ombudsman as well. Finally, every three months parliamentarians will see the banks' small business borrowing statistics. These standardized statistics will be our tool to monitor progress.

To paraphrase a famous quote, this is not the end of ensuring that the banks will live up to their responsibilities. It is not even the beginning of the end. But it is perhaps the end of the beginning. There is much to be accomplished.

* * *

ENVIRONMENT

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I wish to congratulate the residents of Beaches—Woodbine, in particular Mr. Michael Liebson, for their perseverance in helping to prevent offshore dredging in Lake Ontario. The residents of the Toronto Beaches area are pleased that the Ontario Ministry of Natural Resources has turned down an application to dredge in Lake Ontario.

Bedrock Resources Inc. put in a proposal to the Ontario Ministry of Natural Resources to dredge sand in Lake Ontario off the shores of my riding. The health and environmental issues raised by this proposal were critical. In its correspondence, Environment Canada stated that the quality of the material makes it acceptable for on-land use as aggregate, but it is not acceptable for open water disposal. The proponent will be separating and saving the larger grain size material, while discharging the fine silts and clays back into Lake Ontario. In our view, this is open water disposal. Environment Canada also found that the sediment plume modelling, as conducted by the proponent's consultants, was inadequate.

In addition, the Department of Fisheries and Oceans stated in its correspondence that dredging will result in the harmful alteration, disruption and destruction of fish habitat. As well, in the opinion of the—

* * *

[*Translation*]

PRIME MINISTER

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, during the referendum campaign, the Prime Minister of Canada promised Quebecers that his government would recognize Quebec as a distinct society and give the province the right to veto

any constitutional change. He even repeated this promise a few days after the referendum.

But, once again, it was just an empty promise. The Prime Minister, trying to buy time or to make us waste ours, decided two weeks ago to create a phoney committee that has absolutely no substance to it.

The Prime Minister is so troubled by the criticism expressed with regard to this puppet committee that he is now claiming that he never promised anything and that Bloc members are liars. Take some rest, Mr. Prime Minister, and try to regain your memory because you can be sure that Quebecers have not forgotten and will never forget.

The Speaker: My dear colleague, maybe it would be preferable not to use the word "liar" even though it is applied to oneself. I would ask you not to use this word in the House.

* * *

[*English*]

FISHERIES

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the fisheries minister said that he consulted the industry when he dreamt up his new tax, but he sure did not listen. Here are just a few of those who wrote in protest to the minister: the Eastern Fishermen's Federation, Southwest Nova Fixed Gear Association, the Fisheries Association of Newfoundland and Labrador, the South West Nova Tuna Association, the New Brunswick Fish Packers' Association, the Fundy Weir Fishermen's Association Inc., the Ontario Fish Producers' Association. The list goes on: the Atlantic Herring Co–op, the Fisheries Council of British Columbia, the Canadian Council of Professional Fish Harvesters, the Alliance des pêcheurs professionnels du Québec, Fishermen Food and Allied Workers, the Prince Edward Island Fishermen's Association, and many more.

• (1115)

They all said no new taxes. Fishermen are not going to let the minister off the hook. If he does not back down he is going to be done like dinner.

* * *

[*Translation*]

MONTREAL ECONOMY

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, the Prime Minister of Canada is rejoicing at the bad news affecting Montreal. Just this week, he applauded the move of CP Rail's head office. Ottawa is making no real effort to ensure sustainable economic recovery in Montreal. What is the minister responsible for the Federal Office of Regional Development—Quebec doing?

It is no wonder that FORD–Q is reported, in the document tabled this week by the auditor general, as not seeing itself as a strategic organization in terms of development policies. If the minister responsible for regional economic development in Quebec cannot even ensure that federal policies reflect Quebec's interests, what good is he? This is another example of how sharing responsibilities with Ottawa can only lead to a weakening of the economy in Montreal and in Quebec as a whole.

* * *

PUBLIC FINANCES

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, the federal government and the hon. Paul Martin have taken upon themselves to put their fiscal house in order.

[*English*]

The Speaker: I would ask the hon. member not to use a person's name, just a title.

[*Translation*]

Mr. DeVillers: I stand corrected, Mr. Speaker. The Minister of Finance. Since federal transfers to the provinces account for nearly 20 per cent of federal expenditures, they cannot be ignored. On the other hand, these transfers account for only three per cent of the provinces' revenues.

We made deeper cuts to our own expenditures on goods and services than to transfers to the provinces. Saskatchewan and New Brunswick have been able to balance their budgets while taking into account the new federal transfer payments. The Quebec government is lagging behind, because of all the energy it is putting into separation plans and referenda. In view of the fact that the transfer cuts contemplated amount to only a few percentage points of provincial revenues, is it fair to say that actions taken by the federal government are solely responsible for provincial cuts to come?

[*English*]

The Speaker: Colleagues, we are going into question period immediately. Over the last little while I have found that the preambles to questions are getting a little longer and the answers are sometimes getting a little longer.

May I ask today before we begin that hon. members cut back a little on the preambles to questions in the hope that more hon. members can ask questions during the question period.

Of course I will help in this respect if it is needed.

ORAL QUESTION PERIOD

[*Translation*]

COMMITTEE CHAIRED BY MINISTER OF INTERGOVERNMENTAL AFFAIRS

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the phoney committee that was set up in a mad rush to save the face of a government that is incapable of keeping the Prime Minister's promises, this phoney committee headed by the Minister of Intergovernmental Affairs has now started its work and apparently has sent a progress report to the Prime Minister's office.

Since this report is supposedly essential to the survival of Canada, does the Minister of Intergovernmental Affairs who chairs the phoney committee intend to release this report, so that Canadians can look at the recommendations?

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 with the interest the hon. member for Roberval has shown in this committee, which is of course a contradiction of his preliminary remarks since, as I said before, the ultimate phoney committee is the regional commissions that were set up in Quebec for the benefit of partisan members only.

In this case, we have set up a committee of ministers who report to the Prime Minister and whose statements are confidential. If the Prime Minister feels it is appropriate to publish the recommendations, he will do so.

• (1120)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, here is my supplementary.

Are we to understand that the minister refuses to release any recommendations or clarifications of any kind with respect to the proceedings of this committee? Perhaps he prefers not to embarrass his friends on the No committee, the provincial Liberals who are meeting in Quebec City on the weekend and who would otherwise realize that the minister and the government have strictly nothing to offer Quebecers.

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, last Tuesday, the Leader of the Official Opposition was asked this question:

[*English*]

"Is it even theoretically possible that premier Bouchard could sign any deal which would see Quebec remain in Confederation?"

[*Translation*]

Mr. Bouchard replied: "No, that is impossible, I am a sovereignist".

In that case, I fail to see why the official opposition or the hon. member for Roberval would ask about the ways in which we are trying to deal with the current problem, since they have already said that, in the circumstances, they are not interested and that their only objective is to destroy the federation.

The Speaker: Again, my dear colleagues, I would ask you to use the title of the member to whom you refer during question period.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is so obvious. A cabinet minister tries to explain why they should not keep the promises made by the Prime Minister, and it is not their fault. I have never seen anything like it.

Is it not true that the purpose of the phoney committee headed by the Minister of Intergovernmental Affairs is merely to play for time so that the government can slowly but surely downgrade its commitments to Quebec and ultimately make them compatible with the interests of its Canadian friends?

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 must recognize the facts. The Prime Minister repeated in the House what he said in Verdun, and I mentioned both statements yesterday to show they were consistent. However, it is also time to realize that the Leader of the Official Opposition and the members of the official opposition are neglecting the duty they have, as the official opposition, to defend the interests of their constituents. They have now stated they do not intend to co–operate with the federal government at all, and consequently, their only goal, as their leader has said, is to achieve sovereignty. Their only goal is to destroy Canada and consequently, their questions no longer have any credibility because they are not trying to improve the way the government operates but are only trying to achieve their goal, which is to destroy Canada.

Mr. André Caron (Jonquière, BQ): So, Mr. Speaker, we can say we are protecting the interests of our constituents when we ask questions of the government in order to discover its intentions toward Quebec.

What they want to know, precisely, is the federal government's intentions with respect to commitments it made less than a month ago, in the last days of the referendum campaign. It is obvious that the deliberations and recommendations of the phoney committee are a well kept secret.

Can the minister at least tell us whether, in the interim report he sent to the Prime Minister, the option of a simple House of Commons resolution on the distinct society is the one favoured by that phoney committee?

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 feel obliged to repeat once again what the Prime Minister said, which is that to ensure the change and modernization of Canada, no change is excluded. And what he said in the House on Wednesday, which is:

> I said we were going to make changes to the federation, constitutional changes, if necessary.

Thus there is no contradiction between the two statements. What we are doing in the unity committee is preparing a series of recommendations for the Prime Minister. The recommendations the group of ministers make to the Prime Minister are confidential, as they must be, because the person who makes decisions on behalf of the government is the Prime Minister. Once those decisions have been made, he will make the announcement.

• (1125)

Mr. André Caron (Jonquière, BQ): Mr. Speaker, can the minister at least confirm to us that one of the hypotheses selected by the phoney committee regarding administrative decentralization is based on the principle set out by Pierre Elliott Trudeau two weeks ago, namely that no decentralization toward the provinces is possible without an equivalent transfer to the federal level, which would mean increased centralization of economic powers at Ottawa?

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, to use the same vocabulary, this is a phoney question, clearly void of content.

We repeat what we have said: the Prime Minister's promises are correct. And as long as the opposition continues to ask phoney questions like this one, when its goal is the destruction of Canada, it does not deserve an answer.

* * *

[*English*]

PEACEKEEPING

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, we are pleased with the recent peace agreement signed between the governments of Bosnia, Croatia and Serbia. This is a welcome step toward peace in that troubled region.

Some hon. members: Hear, hear.

Mr. Frazer: Yesterday the Prime Minister stated that Canada would commit troops and also promised a debate in the House to acquire Parliament's approval.

To date however the government has paid only lip service to the principle of consultation. On September 21 last year the debate was only nine days before the renewal. This year on March 29 the debate was only two days before renewal and then the commitment was extended by two months without any reference to Parliament.

Will the government commit this time to having the debate on Canadian forces deployment to the former Yugoslavia after the details are known and before any cabinet decision is taken?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister signified yesterday that it would be his intention for Parliament to debate the potential deployment for the NATO force. That debate will be scheduled in the next week or so after consultation between House leaders.

This is a further example of how the government has restored Parliament's role in the debate of major foreign engagements.

The hon. member has criticized only the matter of timing of these debates. The fact is that members of Parliament have been able to express their views before commitments have been made and that is the course that will be followed.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, that is all very interesting but in my previous question I asked if we would debate after the details are known. I suspect they will not be known next week and we will not know what we are debating.

The Minister of National Defence yesterday stated that because the successful formation of the NATO force will depend on American troops being committed, we will have to await the decision of congress. It is reported that the Americans are talking of a commitment of one year.

Does the minister think the mission will be accomplished in one year and will he consider proposing a specified period for any Canadian commitment with a declared intention to withdraw Canadian forces at the end of that period?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, with great respect, these are all questions and ideas that should be raised in a parliamentary debate.

The government would be quite interested to know from the Reform Party and other members the degree of commitment we should make, the numbers that we should be sending and in what proportion. All of those questions really are matters the govern-

ment will be interested in before the government makes its final commitment to NATO.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, it seems that the government will not commit to having a realistic debate on the commitment of Canadian forces.

Some hon. members: Oh, oh.

Mr. Frazer: I am concerned that Canadian troops have already been stretched past the limit by their commitments in the former Yugoslavia. Some soldiers are in their fourth and even fifth tours of duty and this is cause for great concern.

I recently read a report from a chaplain who wrote: "We do not know the emotional ramifications of psychological layers being built up by these repeatedly rapid deployments".

Will the Prime Minister consider other options, such as offering NATO an air squadron rather than a land unit, in order to lessen the burden on our under equipped and over taxed land forces?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we have been discussing with our NATO allies the requirements for this kind of a force. Next week at the Defence Planning Board meetings in Brussels these commitments will be examined in greater detail.

I will take the hon. member's comment as a representation that Canada should offer air support. That will be very interesting. Other members may have a different view but we want to hear the views of all members before we decide.

• (1130)

The hon. member also talked about the overstretching of Canadian forces. He knows that was a legitimate argument to make 18 months ago. As a result of the deliberations of the committee of which he was a member, the white paper signalled an intent to put more people into the sharp end of the army. We are now recruiting so that we have more people available for such duty.

I also underscore the fact that with the pullback from Croatia, Canada now has significantly fewer people in the field than we had six months ago. The criticisms the hon. member has been making this morning are not fully justified by the operational facts today.

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[*Translation*]

BRONFMAN FOUNDATION

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The recently published public accounts reveal that the Minister of Canadian Heritage awarded a grant of $5 million to the Bronfman Foundation to fund "Heritage Minutes" on Canada's heritage for television broadcast. His own officials recommended a grant of only $1 million.

How does the minister explain his decision to give the Bronfman Foundation five times the amount his officials recommended, when he is cutting subsidies to francophone associations outside Quebec and everywhere in the area of cultural development?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it is not clear in my colleague's question whether he feels these heritage minutes were badly done and did not warrant funding. In my opinion, they provide an excellent look into Canadian history, which may be of no interest to him, but which interests me.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, the minister is not answering my question. We are not talking about product quality, but, rather, the fact that it cost $5 million when it was supposed to cost $1 million.

As my supplemental, I would like to know whether the minister's sudden generosity was intended as an unobtrusive injection of several million dollars worth of propaganda on the eve of the recent referendum campaign?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, if our colleague believes Canada's history is propaganda, he should not be sitting in this House. Our history is our history, our roots are our roots, and we may be justifiably proud of them.

* * *

[*English*]

COMMUNICATIONS SECURITY ESTABLISHMENT

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Canadians were justifiably shocked to learn that the Communications Security Establishment is eavesdropping on Canadian citizens.

In response, the defence minister said that he would not comment on issues of national security. The Deputy Prime Minister clearly stated that CSE did not have a mandate to spy on Canadians. Not surprisingly, the Prime Minister said that he did not know what CSE was doing.

Does the Minister of National Defence know what CSE is doing and who gave CSE authority to invade and violate the privacy of Canadians by intercepting private communications?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, as the member knows from my previous answers in this place, I certainly know what is going on in the department and especially at CSE.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, two former employees of the spy agency have publicly stated that CSE has spied on Canadians.

The law is clear. Any interception of communication of Canadian citizens is an offence under part VI of the Criminal Code. How dare the government spy on its own citizens?

Has the minister's department reviewed the allegations of former CSE employees Frost and Shorten? Is he prepared to have charges laid against those CSE agents who have broken the law?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I fully reject the premise of the hon. member's question, but with respect to recent comments that have been made by a third party, the government is certainly looking into them.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

In announcing budget cuts, the President of the CBC explained that between 600 and 1,000 positions would be eliminated before March 1996. According to him, the exact number of jobs to be cut will depend on whether or not the federal government decides to contribute to the funding of Radio Canada International.

• (1135)

Can the Minister of Canadian Heritage confirm that his government has decided to stop funding Radio Canada International?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, as our colleague must know, the international component of the CBC's mission is outlined in its current mandate.

We will review the CBC's entire mandate, including this component, in light of the mandate committee's recommendations. The whole mandate will be reviewed, and the status of Radio Canada International will be determined at that time.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, since Radio Canada International is Canada's international showcase—

Ms. Copps: Are you interested?

Mrs. Debien: Since Radio Canada International is Canada's international showcase and helps promote Canadian culture abroad, does the minister not feel that it would be irresponsible to stop funding this service, and can he give us advance notice of his intentions in this regard?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, allow me to correct the preamble to our colleague's question. Radio Canada International is a vehicle that promotes Canada around the world. I just got back from TV5, through which francophone Canada has gained international renown. Radio Canada International is not the only broadcaster to further our country's interests.

In response to her question, I would add that we should not put the cart before the horse. We have to make a decision on the CBC's mandate and its international component will be part of this decision.

* * *

[*English*]

CHILD CARE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, my question is for the Deputy Prime Minister.

Thousands of people are demonstrating today across Ontario because of the intention of the provincial government to cut child care services and subsidies.

In our red book there is a promise calling for the creation of 50,000 new child care spaces each year following a year of 3 per cent economic growth.

Does the government intend to address this acute social need and alleviate a crucial problem faced by so many Canadians?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for raising a very important question on an issue that is very close to the Liberal government.

We are strongly committed to child care. We have already made progress in a number of areas such as the $72 million program to establish or improve a total number of 6,000 spaces within First Nations and Inuit communities over the next three years. We have also invested $6 million annually for a child care vision.

The Minister of Human Resources Development last week met with his provincial counterparts to discuss ways of finding new financing arrangements so that the red book commitment could be honoured.

There is no question the focus would be on enhancing and expanding child care services. Our position is crystal clear.

* * *

JUSTICE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, blatant Liberal pork barrel patronage by the revenue minister rewarding Liberal law firms on Vancouver Island is going on and on and on, in spite of six months of feeble assurances to the House by the

justice minister. Yet again on Wednesday of this week, when a drug trafficking case was called in Victoria no federal crown prosecuting lawyer even turned up for the case.

How many more drug cases will be fumbled, lost or dropped before the justice minister exhibits some competence in getting the revenue minister's cronies in line?

• (1140)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member knows perfectly well that the Minister of Justice has made outstanding appointments in every appointment he has made.

If the hon. member would simply praise the minister occasionally instead of constantly harping and carping, he might find that he gets better service in his constituency.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, what a joke. Speak of praising, I have had personal conversations with the justice minister about this issue over a six–month period. I have a fat file on it. One patronage appointed lawyer is unprepared and the charges are dropped. Another patronage appointed lawyer does not show and the charges are dropped. Another patronage appointed lawyer mishandles the charges and the charges are dropped.

How far does this have to go? The Parliamentary Secretary to the Minister of Justice last time said—

The Speaker: I ask the hon. member to put his question.

Mr. Abbott: If the firms are not incompetent, if the justice department is not incompetent, if the justice minister is not incompetent, why do we end up with all these cases screwed up on Vancouver Island?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the Minister of Justice has had all his appointments screened by officials before they were made and he is confident that these are very competent lawyers. The confidence is reflected in the fact that 22 of the 42 firms appointed in B.C. are reappointments. Half the agents were appointed by the previous government.

There have been isolated difficulties on Vancouver Island. The minister admits that fact. Preliminary reports suggest that the failure of certain former agents to co–operate with the new appointments may have contributed to the problem. The hon. member should be encouraging the former agents to co–operate with the new ones instead of carping and yelling in the House every day about the odd failure that occurs. These people are competent and they will do their jobs.

[*Translation*]

IRVING WHALE

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, my question is for the Minister of the Environment.

Last summer, the federal government wasted several million dollars in a failed attempt to refloat the *Irving Whale*. We are currently unable to get from the environment department the exact amount spent on that botched operation.

How can the minister justify her department's refusal to reveal the terms of the contracts and the amount spent on the failed attempt to refloat the *Irving Whale*?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the operation did not fail. It is underway and will be completed next year, following the recommendations made by the former Bloc Quebecois critic for the environment, who said that the *Irving Whale* was like a time bomb for the environment and had to be refloated.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, does the minister not realize the public is concerned that, in opting for the cheapest solution under the circumstances, without any regard for the safety of the operation, she started a process which could end up costing taxpayers a lot more than expected because of the bad decisions she made?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the total costs of the operation will be borne by the private sector. Moreover, the hon. member and his colleagues should have heeded the advice of the Magdalen Islands RCM board, which is asking the federal government to assume its responsibilities and not fail like the former environment minister, the member for Lac–Saint–Jean, who received letters from Magdalen Islands fishermen but never bothered to answer them.

We, at least, have taken our responsibilities and are following the unanimous recommendation of the Magdalen Islands RCM to proceed with the operation, so as to get rid of this time bomb for the environment, as the former Bloc member called it.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, a few bad apples on the Stony reserve west of Calgary have resumed illegal tree cutting. Grassroots natives have shut down the logging trucks the minister of Indian affairs said he would shut down.

Who will stand on the government side today and justify this environmental mess?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the minister of Indian and northern affairs indicated in response to an earlier question by the member that the government expects the law to be respected both on and off the reserve, and it will be respected.

• (1145)

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the minister made a promise in the House, a promise he has failed to keep. Rank and file natives have kept that promise for him while the minister, his officials and band and council on the reserve sit in their ivory towers. Once again, who in this weak-kneed government is going to stand up and stop this environmental pillage?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I find it hard to believe that the member accuses the Minister of Indian Affairs and Northern Development of not being close to the grassroots. In fact, over the last two years he has met with more band members, more chiefs and more aboriginal people than certainly has the entire caucus of the Reform Party.

I would underscore that the Minister of Indian Affairs and Northern Development has the full confidence of the aboriginal peoples unlike their view of the Reform Party which is certainly not their greatest ally.

* * *

[*Translation*]

IRVING WHALE

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, it would appear that the Minister of Environment has finally seen the light on the *Irving Whale* issue.

Last week, she showed some common sense when she announced an investigation by the RCMP into possible criminal activities, as well as a new environmental impact review.

Can the minister assure us that the public servants and other individuals who are being investigated by the RCMP will not take part, either as witnesses or as commissioners, in the new environmental assessment she has ordered?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, obviously, the government rreferred this issue to the RCMP so that it can investigate at every level.

This being said, the PCB assessment will take into account everybody's public testimony and, obviously, those who are being investigated will be excluded from the process.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, would the minister not agree that, now that she has recognized the existence of criminal activities surrounding the refloating operation of the *Irving Whale*, the only way to give credibility to the process would be to strike a totally independent expert panel, one that has no connection with her department?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member's allegations are false. Moreover, if he wants the investigation to be conducted properly, it must not be interfered with.

But if he means that an investigation should be conducted independently from the Canadian government, Environment Canada has the responsibility to carry on environmental impact assessments, and we do not want to avoid our responsibilities, we want to take them the same way we did when we became the first government to tackle this ecological time bomb.

I would like to point out that the RCM of Îles-de-la-Madeleine, the fishermen of the Magdalen Islands—

[*English*]

The fishermen of Prince Edward Island, of Atlantic Canada, support the position of the government. I only wish the Bloc would help us to rid ourselves of this ecological time bomb.

* * *

[*Translation*]

PUBLIC SERVICE

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, my question is for the President of the Treasury Board and is about the public service.

[*English*]

Reports indicate that the early retirement and early departure incentive programs have been so favourably received by public servants as to cause a larger expenditure than expected.

[*Translation*]

Will the President of the Treasury Board assure the public servants and the Canadian public that the government does not intend to lay off employees or cut services to compensate for the overspending under these programs?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, first of all, we will be true to our fiscal commitments and operate within the established targets.

True, more people than expected indicated that they wanted to take advantage of the government offers. This simply shows that there will be more spending in the beginning, but we will be able to make up for all that. True, this could amount to almost

$2.3 billion, but at the same time, this will be offset by savings of $4.2 billion. Thereafter, $2.2 billion will be saved each year.

• (1150)

[*English*]

Concerning the public service, I am convinced we shall continue to have a service that reflects the needs of Canadians. Members well know that as a result of the program review we have had to reduce it, but we will continue to have a competent and committed civil service that will respond to the needs of Canadians.

* * *

NATIONAL REVENUE

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, when the Minister of National Revenue amalgamated Canada customs and taxation he claimed the department would become more efficient and more effective. The auditor general disagrees. In his report last week the auditor general points out that taxpayers are now waiting 26 days longer for disputes to be resolved and that Revenue Canada missed collecting $17 million in interest charges on overdue accounts.

How can the minister claim this reorganization in his department has been anything but a failure?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the Minister of National Revenue answered that question when the auditor general's report came out.

If the member looks closely at the report, he will see the auditor general acknowledged the changes the Minister of National Revenue introduced and the savings that have been realized. Naturally, the time period is not of sufficient length for the auditor general to draw any conclusions. If the member reads the report very carefully he will see that at the moment the auditor general is being complimentary. He encourages the department to continue and it will continue in this manner.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, with all due respect, I believe the parliamentary secretary is out of touch with this department.

Over the last couple of months I have received evidence that there are questionable management practices. There is evidence of racism. The morale is low and there is a lack of fulfilment in the department.

The minister of revenue and taxation has to do a better job of controlling the department. Tax time is coming up. Budget time is coming up. We know the friction between taxpayers and Revenue Canada collectors.

When will the people responsible for the department improve the image of national revenue and taxation?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I believe the member did not have a supplementary prepared and just went on a rampage of making allegations. If the member has evidence of specific cases of wrongdoing by people working in the department, he should come forward and give them to the minister and make them public. Then the minister will definitely look into the matter.

Since 1993 when this government took office we have made the necessary changes in the department. Canadians are receiving their tax refunds faster than before. The amalgamation of the two departments has created savings in the millions of dollars and this will continue.

* * *

[*Translation*]

BOOKSELLERS

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, my question is for the heritage minister.

Yesterday, David Peterson, a former premier of Ontario, submitted a brief to the heritage committee, on behalf of the Canadian Booksellers' Association. Mr. Peterson predicted that the impending arrival of two mega–booksellers from the United States, Borders, and Barnes and Noble, would have disastrous consequences on the book market in Quebec and Canada.

Before the Minister of Industry allows American booksellers to invade the Canadian market, will the Minister of Canadian Heritage undertake to set up a committee of experts to assess the economic and cultural impact of the arrival of these two booksellers on the Canadian market, like it did for *Sports Illustrated*?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let me advise the member clearly of what the existing book policy is of the government.

The policy prohibits the establishment of a new retail book selling business by non–Canadians. Non–Canadians may only engage in book retailing as minority investors in Canadian controlled joint ventures. Any proposed joint venture that may be brought forward will be carefully examined under the existing powers under the Investment Canada Act to ensure that control in fact is exercised by the Canadian investors.

• (1155)

We do not contemplate in any way softening or weakening that policy in favour of any proposed investment. I believe the interests of the Canadian booksellers will thereby be truly protected.

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, it does not seem as though Mr. Peterson feels all that reassured. Would the government's eagerness to close that deal have anything to do with the fact that the Canadian partner of the giant American Borders corporation is Heather Reisman, a member of a well–known Liberal family, as reported by the *Globe and Mail*?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first of all, I want to thank the Bloc member for her interest in Canadian heritage.

[*English*]

As for the rest of her question, I will not dignify it with a reply.

* * *

FUR INDUSTRY

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, about 72,000 Canadians are registered fur trappers, about half of them being native or Metis. Another 30,000 work on trimming, storing and creating garments with fur and selling them.

As a former trapper myself, I would like the Minister of International Trade to explain now that native trappers have convinced the European Union to postpone for one year its ban on furs caught with leghold traps, how will the government use that one year reprieve to ensure that an EU ban on Canadian wild furs never takes place?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, we are aware that we have one year within which to work out the proposition. We are quite encouraged by the European Union decision to grant us the extra year. We are going to work with the industry, the provinces and all of the interested parties. We hope to be able to come up with what is believed to be a proposition which is in the best interests of everybody, including the people who are benefiting from trapping in Canada.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, it is not as if this is a new problem. The European Union now buys about 75 per cent of Canadian fur.

Will the Minister of International Trade explain what action he is taking to broaden the market for Canadian wild fur and reduce our dependence on the European buyers?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, we are quite concerned about this issue. Thousands and thousands of people depend on trapping for their survival.

I take this opportunity to congratulate Canada's aboriginal community which worked extremely hard with our government, as well as with governments in Europe, to ensure that our position is well known to Europeans and others abroad.

I assure the member that whatever we do on this issue is going to be in the best interests of the aboriginal people and the best interests of the Canadian industry.

* * *

CHILD CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, in 1993 the Liberal Party promised to expand child care in Canada by 50,000 spaces each year that follows a growth of 3 per cent. Last year real growth was just over 4 per cent and still the government has not lived up to its commitment. It has broken its promise to Canadian families.

The parliamentary secretary responded to an earlier question that the government is working on this matter. I therefore ask the Deputy Prime Minister, exactly how many child care spaces—and I presume it will be at least 50,000—will the government create this year to maintain its promise?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thought I answered that question earlier on. I will take the opportunity to outline other measures the federal government has taken to not only address child care, but to also address the issue of child poverty.

Campaign 2000 recently released a report card which did not take into account some very positive news which occurred last year. Last year for the very first time in a long time, the average family income increased by almost 2 per cent. This speaks to the fact that the jobs and economic growth agenda the Liberal government has introduced over the past year is not only creating jobs, but is helping the issue of child care and child poverty.

• (1200)

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my supplementary question for the Deputy Prime Minister will be very brief.

Exactly how many child care spaces will be created by the federal government this year in keeping with its promise?

Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, in the same way that we have honoured our job creation program, that we have lowered unemployment, that we have increased exports, that we have increased the gross domestic product, we will continue to honour all the commitments made in the red book.

[*Translation*]

CANADA PENSION PLAN

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I have a two–part question for the Minister of Finance.

[*English*]

We have heard more and more concerns about the Canada pension plan. Last week a leading actuary maintained that we are unable to pay even the pensions of those already retired.

Can the minister tell the House if the Canada pension plan is in danger and what he intends to do about it? The second part of my question is what does he think of the Reform plan?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the chief actuary did indeed raise a number of very important concerns relative to the Canada pension plan. The departmental officials from the federal government and from all the provincial governments, because this is a joint responsibility, are indeed meeting to address those plans.

The Canada pension plan is not in danger, but it does require modification, it does require change. We will bring those changes in to ensure that the Canada pension plan is there for young Canadians when their time comes to retire.

The fundamental flaw in the Reform plan is that while there are interesting things in the margin, it makes sure that the rich are richer in retirement and the poor are poorer in retirement. This government will never accept that.

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 four petitions.

* * *

COMMITTEES OF THE HOUSE

INDUSTRY

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I have the honour to present the 10th report of the Standing Committee on Industry, on Bill C–99, an act to amend the Small Business Loans Act, 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 present the 102nd report of the Standing Committee on Procedure and House Affairs regarding the membership and associate membership of some standing committees.

• (1205)

With leave of the House, I intend to move for concurrence in this report later this day.

* * *

[*English*]

BANKRUPTCY AND INSOLVENCY ACT

Hon. John Manley (Minister of Industry, Lib.) moved for leave to introduce Bill C–109, an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act, and the Income Tax Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

CRIMINAL CODE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.) moved for leave to introduce Bill C–358, an act to amend the Criminal Code (consecutive sentences).

He said: Mr. Speaker, I am pleased to rise today to introduce my private member's bill. The bill would see consecutive sentences imposed upon those convicted of multiple violent crimes against a person. I believe such an amendment should be supported by all MPs. I know the changes would be welcomed by the millions of Canadians who have lost faith in the operation of our justice system.

(Motions deemed adopted, bill read the first time and printed.)

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion.

I move:

That the 102nd report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

PETITIONS

DETENTION ORDERS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in response to the outcry of Canadians for this government to take a more serious stand on dangerous offender legislation, I am adding 1,770 names of Canadians who 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.

* * *

[*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 ask that all questions stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BANK ACT

The House resumed consideration of the motion that Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions, be read the second time and referred to a committee.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I know that with the wonderful words of wisdom I was expressing to the House prior to question period, the Speaker will recall that I was speaking about the fact that the Liberals and Tories all seem to enjoy the process of interfering in normal natural processes within a marketplace. The proposed bill is a classic example of exactly that.

The Liberals have an opportunity under the Canada Deposit Insurance Corporation Act to make some substantive changes that would continue to protect Canadians while giving Canadians a responsibility for their own lives, their own affairs.

• (1210)

It makes me think a lot of an occasion when I was in my constituency in the town of Invermere a few weeks ago. There was a gentleman who was the park warden from Glacier National Park in the United States, which I am sure members will recall is considered to be part of the Peace Park. It is right across the border from Waterton Lakes National Park. They have a wide swath cut from mountaintop down through the valley up to the other side of the mountain approximately 60 feet wide to designate the border.

The superintendent was saying it does not really make any sense for us to have this wide swath out in the middle of the wilderness. Here we are talking about this being a peace park, about how there is this desire on the part of Canadians and Americans to come together in the Peace Park, so why do we have this 60–foot wide swath? He was going to be proposing to the powers that be that this wide swath be permitted to simply regrow. What it would mean is that no longer would there be vegetation–destroying chemicals put into the area. It would save money. Above all, it would make sense.

At that point I put up my hand at the back of the room and he acknowledged me. I told him he had a serious problem: you are proposing to the governments of the United States and Canada something that makes sense and saves money; you do not have a chance of this passing. Unfortunately, in spite of the fact that I said that with tongue in cheek, it is exactly this kind of problem we have with the old line parties, with this government. If it saves money and makes sense we can count on the fact that the Liberals are going to reject it.

What am I referring to specifically? We propose a different way of handling the Canada Deposit Insurance Corporation. We call it, as it is called in the industry, co–insurance. This bill rejects deposit co–insurance.

Since the introduction in 1967 of 100 per cent deposit insurance, that is up to the maximum value, 30 financial institutions have failed, with 20 failures in the last 10 years. This has cost the CDIC about $5 billion as of March 1994.

Before 1967 there were no bank failures. Governments over the years have exhibited a reluctance to institute market based measures of reform such as co–insurance instead of opting for more regulation and oversight.

The use of the market through the implementation of co–insurance and market based criteria as early warning signals would alleviate the problem in the financial system in a less costly yet more effective manner than proposing further regulatory change. Regulatory attempts to mimic the efficient results only achievable by the free market will always be more costly for all parties involved and will rarely, if ever, achieve the same quality of results.

Under the proposed system, depositors are only encouraged to seek out the best rate, regardless of the risk profile of the institution in question, since they know that they will be fully compensated by the CDIC in the event of a failure. This facilitates the entrance, growth and eventual failure of risky and recklessly managed institutions. It also discriminates against healthy, strong, financial sector players who minimize risk by conservative lending and borrowing policies. The act does set the stage for risk based CDIC premiums.

It makes me think a lot, in terms of the government interference the Liberals and Conservatives have always practised, of a Canada Cup hockey game between Team Canada complete with Wayne Gretzky and all the rest of the superstars against Team Jamaica. The government would not set the rules for the game. It would set the rules for the result. It would probably make the Canadian goal the goal line, that is from side to side on the ice, and make the Jamaican goal the size of a shoebox. That way we could know what the results of the game were going to be. That is the attitude that has consistently, without fail, been the approach of both the Liberals and the Conservatives in the way they have governed Canada.

• (1215)

We have to realize that money is a medium of exchange. Money has no morality nor does it have nationality. We must restore balance in the marketplace, which is what this bill is about.

I am referring to making the depositor take some responsibility because what is going on right now is that the solid financial institutions are being basically penalized. The people investing in those solid financial institutions are being penalized by people who know they can invest up to the limit covered by CDIC and bear no risk as long as those deposits are guaranteed by CDIC.

The 100 per cent coverage creates a situation parallel to the situation I described with regard to regional development grants, in that it shifts the responsibility away from the depositor and on to the backs of (a) the larger, more responsible financial institutions that have a long track record and (b) ultimately the taxpayer.

Let us get government interference in the marketplace under control. Maybe that is too much to expect from the Liberals. We can only hope. But above all, I ask the members of the government side to consider this. Canada has to be prepared to compete in the real world. This issue of the Canada Deposit Insurance Corporation is just one small indicator of the kind of government interference that is distorting an orderly marketplace. It is reflective of the real world and of that marketplace. As long as we continue to shift responsibility ultimately from the people in that marketplace, we are not doing anything to create any health, vibrancy or cleansing within the marketplace.

It is for that reason, the fact that the government refuses to consider the prospect of co–insurance, that we will be voting against this bill.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, it is a pleasure to participate in the debate today on Bill C–100. I am pleased to have the opportunity to express my support for this legislation which will enhance the safety and soundness of the Canadian financial system.

I would like to focus on the issue of early intervention when an institution is experiencing financial difficulties. It is an area where Bill C–100 establishes a dramatic shift or enhancement in the philosophy of financial institution regulation. It is a reform that I believe all consumers should applaud.

As the hon. secretary of state pointed out earlier, the logical underpinning for early intervention in problem situations begins with the principle that ownership of a financial institution is a privilege, not a right. This reflects the absolute vital role in terms of economics and public confidence that such institutions play in an open market economy.

The legislation before us takes this principle to a natural and essential conclusion. It recognizes that when a financial institution is experiencing difficulty, the owners do not have the right to continue business until the bitter end. In other words, the obligations of management include a duty to depositors, policyholders, creditors, as well as shareholders. This means that an institution's owners do not have a natural authority to carry on in the hope of some miraculous turnaround, until capital is depleted or they cannot pay liabilities as they come due.

• (1220)

Bill C–100 translates this view into concrete measures. It makes clear that if early intervention in and resolution of institutions experiencing difficulty need to occur it can occur. This is specifically recognized in a new mandate for the Office of the Superintendent of Financial Institutions. This mandate is given bottom line reality to changes in the statutes to permit this institution to obtain a winding–up order for problem firms earlier than this is warranted.

I should point out that this new mandate represents an important clarification of the mission statement of OSFI. Prior to Bill C–100, this institution was guided very informally by the objectives to maintain public confidence in the Canadian financial system.

However the bill provides the regulator with a detailed, legislative mandate which recognizes OSFI should contribute to public confidence. It will do so by recognizing the interests of depositors, policyholders and creditors of Canadian financial institutions.

Prescribing such a mandate more formally in legislation is an important step. This will give the regulator greater accountability for its actions. It also lets institutions and other stakeholders know that the regulator will deal with them in an expeditious manner should problems arise.

Greater transparency with respect to the role of the regulator provides all financial institutions, healthy or troubled, with a greater incentive to monitor their affairs more prudently.

I firmly believe the very fact that the early intervention is a clear and concrete part of the OSFI mandate is in itself an incentive for better management.

Bill C–100's mandate for this institution extends beyond simply requiring the regulator to take immediate action with institutions experiencing financial difficulty. OSFI has a broader responsibility to promote the adoption by senior management of financial institutions of sound policies and procedures to control their risks. After all, financial institutions must bear a greater responsibility to their stakeholders for managing their exposure to risk adequately. This is consistent with the principle that ownership of financial institutions is a privilege and not a right.

Supervisory systems must be designed in such a way to create an incentive for corrective action by financial institutions themselves to set right and salvage firms where possible.

However, earlier resolution alone cannot ensure that a troubled financial institution will not fail. In an open market environment, especially in today's increasingly competitive global arena, firms may fail. Therefore it is extremely important, when closure of a financial institution is imminent, the supervisory system be prepared to shut down an institution in a manner that protects the interests of all stakeholders.

In this regard, Bill C–100 provides the regulator with sufficient scope to close down a troubled institution before the value of the firm has been fully depleted.

The legislation includes amendments to the winding–up and restructuring act which provides OSFI with additional grounds for obtaining a wind–up order for a financial institution. The act is also being amended to provide more flexibility to restructure, under court supervision, the affairs of insurance companies in liquidation. This should provide protection for stakeholders if closing down is required. The liquidator will have greater scope to enhance value within the estate and improve recovery on assets disposed of by the liquidator to the benefit of all policyholders.

• (1225)

Again, the interests of financial consumers stand to be recognized under Bill C–100 revised closure policy. I believe this legislation acts on the aspects of good regulation and good management, fairness and openness.

In other words, there is a fundamental need for transparency of the supervisory system. If we are to encourage the most positive attitudes and behaviour within institutions, it is essential that they understand the steps that the authorities can take if the financial situation deteriorates. We must be prepared to deal with situations where firms make mistakes and face difficulty.

We must have a more transparent system in place so that messages to the company management are clear. That is why the secretary of state is proposing a guide to intervention that clarifies the actions that can be expected, a guide that clarifies the role of OSFI and the CDIC, the Canadian Deposit Insurance Corporation.

This guide sets out four stages of intervention. Each stage makes clear to institutions what type of regulatory action will be taken. It includes a number of fairly technical supervisory measures that may be measured and used by OSFI in recognizing the interests of stakeholders.

It also spells out actions by CDIC in fulfilling its legislated objectives to control risk to the deposit insurance fund and minimize its exposure to loss.

These regulatory actions range from the initial stage–one situation, where the regulator takes a number of small steps when the institution is experiencing difficulty. At this stage, OSFI could require the external auditor to expand its work. If the company continues to decline, there are two other stages of more direct action that can be taken by the regulator, where a more hands–on approach is taken. By stage four, firm action is required because insolvency is imminent.

The institution approaching this stage will have warning that unless it improves its situation it will be shut down. Bill C–100 provides that in such a scenario, OSFI could seek a winding–up order while the institution still has positive capital.

This is clearly to the benefit of the depositors, the policyholders, the creditors and other stakeholders. It is consistent with the institution's mandate.

The legislation before us is largely technical in content. It does not have the drama of some other high profile issues, but this should not obscure its vital importance, nor its real benefits to our economy and to the security of millions of Canadians.

Consumers have come to expect that regulatory authorities take prompt action to deal with the problem of financial institutions. A sound, dynamic financial system is important to all Canadian consumers and an essential component to economic strength, the strength that ultimately, as we know, produces jobs.

The legislation enhances the soundness that Canadians expect from their financial system. A sound, dynamic financial system is a fundamental foundation for personal financial security and public confidence. The legislation before us will ensure that such confidence is fully justified.

I urge all hon. members to approve this legislation. It is in the interest of all our constituents and our nation as a whole.

• (1230)

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I am pleased to rise in this House as a member of the Bloc Quebecois to address Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions.

I listened closely to the previous speakers' speeches, especially that of the parliamentary secretary to the Minister of Finance, who explained a number of guidelines followed by the government in the drafting of this bill.

First of all, he told us that the purpose of the government was to regulate in the best possible way certain aspects of the financial system in Canada, certain financial institutions, so that Canadians who put their trust in these financial institutions and deposit money in them will not have their trust betrayed because of a shortcoming in the regulations or abuses by the financial institutions themselves.

Following this line of reasoning, any Canadian or Quebecer would think that the federal government is fully justified in introducing the bill now before us.

The parliamentary secretary also mentioned global issues, changes in the overall financial system, new technologies, the diversification of financial needs, competitiveness, everything that makes up globalization. He told us Canada must act to make sure that our financial system will react appropriately, should financial institutions have problems that could put money deposited by Canadians and Quebecers at risk.

If we accept this argument, we would think that all is well, that the government must indeed take action. Later on, I listened to the official opposition financial critic, my colleague from Saint–Hyacinthe—Bagot, who stressed other aspects of the issue. He said that, yes, the government was justified in taking some measures but that, while doing so, it must respect the provinces' jurisdictions. I would say that the hon. member clearly underlined different aspects of the bill which infringe upon the jurisdiction of provinces such as Quebec.

During his speech, I was looking at government members and thinking that they were elected to the House of Commons to represent their constituents. In a sense, they are forced to listen to arguments which tend to become repetitive, because, no matter what bill is being debated in the House, the official opposition will criticize it in terms of federal and provincial jurisdictions. Of course, it can be tiring for hon. members, who are elected to represent their constituents honestly, to see all their bills attacked from a particular angle by Bloc members.

I understand that, but they must also recognize the position of members from Quebec, and here I am speaking of members from Quebec generally. I was reading a letter sent by Mr. Johnson, the former Quebec premier to a federal minister concerning the bill, in which he was using essentially the same arguments presented by the hon. member for Saint–Hyacinthe—Bagot. In other words, he was arguing that Quebec's jurisdiction should be respected. So it is not just a sovereignist member's point of view that has been put forward, but the point of view of a member from Quebec who wants to represent his constituents well, as is proper under the constitutional traditions of Quebec.

• (1235)

Once again, at the risk of displeasing some colleagues, I will tell you why a piece of legislation like this one, which at first glance appears perfectly appropriate and normal under the circumstances, is questionable.

It is questionable, first of all, from the standpoint of the Constitution. It is all very clear in the Canadian Constitution that private property and the Civil Code are under the Quebec government's jurisdiction. It is clear and it is there for all to read. This means that any laws or moves the federal government makes to regulate to some extent private property or items covered by the Civil Code are, in and of themselves, unconstitutional. It is with some hesitation that I use the word "unconstitutional" because it is a fairly strong word, but the fact remains that those laws or moves are intrusions by the federal government into another level of government's jurisdiction.

The Quebec government is not alone in saying this, as we saw last summer, when the chairman of the Ontario Securities Commission made the same argument, saying that the draft legislation put forward at the time—it was being considered by the committee—flew in the face of provincial jurisdiction over securities regulation.

Of course, when the representative of the Ontario Securities Commission showed up before the committee which was examining this bill last summer, he had changed his mind and said: "Look, maybe it is important that the federal government legislates in this area". At that time, we were about to embark upon a referendum campaign, and the people of Canada who sincerely believed that Canada should not be divided and should remain united after a referendum were sticking together. That is why he changed his tune a little bit.

But you have to understand that, at the outset, he had examined his powers and provincial jurisdiction and had noticed that this bill would infringe upon this area of provincial jurisdiction.

This all goes to explain why this is the first concern of hon. members from Quebec—and I am not only talking about sovereignist members of Parliament—when they examine a bill. Of course it may not cross the mind of the members from the Yukon, from British–Columbia or from Ontario when they examine a federal bill. But it is a reflex that we, the politicians of Quebec, have developed over many decades. We have done so since Confederation, under the governments of Duplessis, Lesage, Lévesque, and the Johnsons, both father and sons. The elected representatives of the people of Quebec have always

been especially careful to remind the federal government that it must respect the various areas of jurisdiction.

Again today, the elected representatives of the people of Quebec, as the official opposition, want to remind everyone of this basic rule of the Canadian federal system, which is the existence of various levels of government, with different areas of jurisdiction under the Constitution that ought to be respected.

On the very face of it, this bill does not respect the Quebec government's power to exercize jurisdiction over securities, because securities are private property. If private property and the Civil Code come under provincial jurisdiction, then securities also fall under provincial jurisdiction.

• (1240)

What is the purpose of Bill C–100? It grants the Bank of Canada jurisdiction over securities clearing houses, which, as I amply demonstrated—I believe—at the beginning of my speech, are already regulated by the provinces. The bill gives the federal government powers which go beyond its jurisdiction under the Canadian Constitution.

It even goes as far as giving a power to issue directives to clearing houses and their participants. Therefore, for a Quebec representative, this is not right, this is unacceptable. That is why we are condemning it.

The second aspect mentioned by my colleague had to do with the whole issue of so–called systemic effects. This referes to a situation where a financial institution that is in difficulty because it is unable to meet certain obligations would endanger another institution, creating a kind of domino effect where a weaker financial institution can doom other financial institutions perhaps better administered or more prosperous. A schedule was added to this bill for the purpose of controlling this phenomenon.

It is clear that, in the context of globalization, governments must closely monitor such phenomena. We read from time to time in the newspapers that the problems of a bank in Hong Kong can affect another bank in England, which happens to have interests in Canada. This situation can in turn create problems for that bank's branches and institutions in Canada and in Quebec. I understand that those things have to be regulated.

But under the pretext of having to regulate such situations, Bill C–100 encroaches once more on provincial jurisdictions, in areas which are presently regulated by the Commission des valeurs mobilières du Québec. This agency has opposed passing of the bill in its present form precisely because it saw that the federal government, mainly through the Bank of Canada, was encroaching upon the mandate it received from the Government of Quebec.

Indeed, the schedule of the bill dealing with clearing and winding up empowers the Bank of Canada to issue directives to clearing houses and participant institutions, without regard for the charter of the institution. As we know, some institutions have federal charters. We can understand that the federal government must regulate such institutions, but there are also institutions with provincial charters. Quebec has many. There are ten trust companies, 25 personal insurance companies, 60 damage insurance companies and 1,300 credit unions with a provincial charter in Quebec. That is a lot.

It is a lot and credit unions are a special concern to Quebecers. You are all familiar with the success of the caisses populaires Desjardins in Quebec. They gave Quebecers from humble backgrounds the opportunity to found institutions based on co–op principles, so that there are now 1,300 caisses populaires throughout Quebec. These institutions were built in parishes and villages and really represent a major achievement for Quebecers.

We can see that, through this bill, the federal government is giving itself some powers over these provincially chartered institutions. We are against this.

• (1245)

We are not opposed to the fact that we must protect ourselves against systemic risk that an institution could endanger another at some point. We disagree, however, with the federal government's approach. Instead, the government should have fine–tuned the large value transfer system, as a group of international experts, the Group of Thirty, proposed in 1989. The Governor of the Bank of Canada admitted as much last summer when questioned on the issue of systemic risk in the financial sector.

Of course, by the time he appeared before the finance committee last summer, the Governor of the Bank of Canada had changed his tune, as did the Chairman of the Ontario Securities Commission.

We think that he changed his tune for political reasons. That is not surprising. I can appreciate that, given the situation last summer before the Quebec referendum, those who believe in federalism and want to maintain this system in Canada may have agreed to certain things and qualified their previous proposals or statements so as to avoid embarrassing the federal government.

But the fact remains that, had the proposal to improve the large value transfer system by streamlining it been approved by the federal government, the government would not have felt compelled to give itself powers I would describe as outrageous over Quebec financial institutions which are well managed.

Not one single financial institution in Quebec has declared bankruptcy in the last ten years. Some insurance companies have merged in the interest of their shareholders and policyholders, but there has not been any bank failure among Quebec credit unions, trust companies or major insurance companies in over ten years.

Of course, there have been problems in Canada. There have been problems in Western Canada and the government had to intervene. It thinks it probably did what was best for the people of Canada and Quebec at the time, but, just the same, the federal government cannot justify invading one of Quebec's areas of jurisdiction by saying that, over the past ten or twenty years, Quebec has not been assuming its responsibilities with respect to regulating the securities industry or financial institutions.

Again, this is seen by members from Quebec as typical of the kind of insensitivity Canada has displayed toward what could be called Quebec's unique view of federalism.

When I spoke in this House yesterday on Bill C–96, establishing the Department of Human Resources Development, I put forward the same arguments. It is all fine and well for the Minister of Human Resources Development to ensure that the moneys spent for communities and individuals in Canada are spent as efficiently as possible. But this is one more intrusion—let us say it as it is, a federal intrusion—in areas of provincial jurisdiction: occupational training, manpower, and so on.

Today, the Bloc Quebecois would like to once more condemn the federal government's approach in regulating financial institutions. Rest assured that, in committee, our members will do their utmost to ensure that these clauses, which obviously are not in keeping with a harmonious federal system, are deleted from the bill.

• (1250)

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, first I want to thank the hon. member for Jonquière, who in my estimation made a good analysis which, along with the one made this morning by another Bloc member, clearly illustrates the problems with Bill C–100. There are several problems which affect Quebec but, more importantly, this bill is yet another example of federal interference in an area of exclusive provincial jurisdiction.

The hon. member pointed out that, almost every time a bill is introduced in the House, Bloc Quebecois members rise to condemn the fact that it infringes on an area of provincial jurisdiction. This is a rather recent phenomenon here. Indeed, in the last 15 or 20 years, there have been Quebec MPs in this House who were not Bloc members but who rarely got up to condemn federal interference in areas which come under Quebec's jurisdiction.

This is explained by the fact that, whenever Quebecers were represented here, it was by Conservative or Liberal members who were in a minority position and who had to toe the party line within their caucus. Since their caucus was formed by a majority representing the rest of Canada, they had to defend the interests of Canada before those of Quebec. This applied even when there was an obvious consensus in Quebec, that is when federalists and sovereignists of all political colours were of the same opinion.

The hon. member just mentioned the fact that Daniel Johnson sent a letter to the minister, in which he described our position precisely. Therefore, there is obvious consensus on Bill C–100, among federalists and sovereignists alike in Quebec, with respect to this intentional intrusion on matters of provincial jurisdiction, and I hope that the government will take this into account.

Another obvious example of consensus in Quebec being ignored by the government is the fact that manpower training and everything connected with manpower training should be handed over to Quebec. Every political party and all of the stakeholders in Quebec, be it management or labour, obviously agree on this, yet the federal government is not responding. We in the Bloc Quebecois have every right to defend these positions.

It is a well known fact that movements such as the Parti Quebecois and the Bloc Quebecois were born as a result of the realization that we were a political minority. And when we played the power game, whether within the Conservative Party or the Liberal Party, we remained a minority and, as such, had to defend Canada's interests. This the origin of the emergence of the sovereignist movement in Quebec; we realized that we were caught in an ongoing process of being reduced to a political minority.

My question to my colleague, who has studied several pieces of legislation similar to Bill C–100, is: does he not realize that, for several years now, we have tried to explain to our fellow citizens what being a political minority means, and that, to a certain extent, being a political minority leads to becoming an economic minority, and that, when we deal with Quebecers, we should add this dimension to our debate?

Mr. Caron: Mr. Speaker, I thank the member for Anjou—Rivière–des–Prairies for his question.

It is obvious that politics has an impact on the economy. Indeed, I mentioned at the beginning of my speech that the Parliamentary Secretary to the Minister of Finance had partly justified the introduction of this bill by the government by putting it in the context of some sort of globalization.

He spoke of global issues to justify that the bill is written in such a way as to regulate or influence securities throughout Canada and to insure that Canada has a single voice among other

nations with regard to securities regulation, in order to avoid negative impacts from outside the country.

• (1255)

If we, in Quebec, are not careful, the arguments of globalization, of competitiveness, of the need for the economy to adapt to the global context will be presented every time that the government wants to make Canada stronger, more visible, more efficient and more aggressive at the international level, bacause to be strong, efficient and aggressive, we must speak with one voice.

Faced with this reality, Canada wants to speak with one single voice. However, Canada forgets that there is a major voice in Canada, albeit a minority voice, as my colleague has remarked; there is Quebec's voice, which has represented a nation, a people, since the beginning of the Canadian Confederation. This voice has always made itself heard. Today, considering the globalization of economies and the fact that Quebec feels somewhat threatened by this globalization from the economic viewpoint, and not only from the viewpoint of its culture and its language, the economic argument becomes an important one for nationalists in Quebec.

In the past, we wanted to achieve sovereignty in order to maintain our language and our culture. That is fine, and that is still the most important reason, at least as far as I am concerned. However, in the last ten years or so, we have come to realize that the economic argument is gaining increasing importance. Quebecers realize that they too must speak with one single voice if they want their people, their nation, to continue developing in a global context.

I agree with the representatives of Canadian federalism that, in the global context, we must speak out loud and clear, with a single voice, and that timing is a major consideration. It is also one of the reasons why sovereignists in Quebec have been saying for many years that sovereignty should not be achieved only to preserve our language and our culture, but also to give Quebec the economic health and vitality it needs to maintain its place in the international community.

I thank my colleague for his question. It allows me to demonstrate, although I recognize the merit of our federalist colleagues' arguments from a Canadian viewpoint, that the sovereignists' arguments are also of an economic nature. I hope that some day, in a newly defined partnership with Canada, we will be able to accommodate both sides so that both Canada and Quebec can get what they want economically as well as play a leading role in the world economy.

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, in this debate concerning Bill C–100, once again we see the separatists grabbing at an opportunity to attack a Canadian bill, not because it is a poor one, but simply because it is one that would be good for Canada. In other words, if a bill is good for Canada, they are going to attack it.

What they have told us today is that Bill C–100 is an encroachment on provincial jurisdiction, in other words one more intrusion by the federal government. But that is not true in the least. What is it? This is not a bill aimed at regulating co–operatives in Quebec or elsewhere in Canada. It is a bill that will reaffirm the vital role played by the Bank of Canada in protecting all Canadians and all Canadian institutions against systemic risks that may originate anywhere in the world.

• (1300)

We have witnessed the collapse of Barings Bank, which could have caused many problems in our country. What we are proposing in this bill is to give the Bank of Canada the power to guarantee transactions between financial institutions, either in Canada or elsewhere.

This means that if a Canadian banking institution or even a credit union had received a cheque, say for $100 million drawn on Barings Bank and had deposited that cheque, but Barings Bank had gone bankrupt before the cheque cleared, while in the meantime, counting on the $100 million, the institution had paid some of its debts, that institution would have sustained a heavy loss.

What we need to do from the time a cheque is received by a Canadian institution, is to be sure that it can be counted on. But they do not want this. Why do they not want a system which would entitle all Canadian institutions to certainty when financial transactions are concerned?

[*English*]

The fact that the Bloc members are complaining about an intrusion in their constitutional domain is typical of what they will do with every bill we see in this House that is for the good of all Canadians, including Quebecers. They are going to try to find some way to knock it down so that they can say that Canada does not work. Their agenda is not the better working of Canada, it is the destruction of this very country. Canadians are not going to be fooled; Quebecers are not going to be fooled.

Let us get down to some of the essences of Bill C–100. Part of the genesis of it was the failure of Confederation Life which shook all Canadians. We had not expected it; a great financial institution went down.

The insurance industry put in place an institution called CompCorp where it contributes funds to protect the policyholders when there is a failure of an insurance institution. The government was concerned that perhaps there was not enough federal regulation in terms of CompCorp, that maybe some of the interests which we needed to have on the table, acting for all Canadians, were not going to be there.

The minister proposed a new type of institution using the insurance companies but also having a greater federal presence. The insurance industry came back to us and said it did not like our federal proposal, but it recognized that there were some improvements it had to make in the way CompCorp was run. The industry said it would make the changes in order to respect the needs of all Canadians.

This was a remarkable process. The minister put out a challenge and the industry responded on its own. The government is not involved in yet another program that could cost it funds, but the industry has assumed this responsibility in a way that will even strengthen the protection available to policyholders.

I commend the industry for coming up with this solution. It is the way we have to work. It was the spirit in which all of the measures in Bill C–100 were addressed.

One of the other issues which came before the committee was addressed by my colleague from the Reform Party. His party will not be supporting the bill because it believes we should not have Canadian deposit insurance which covers every last cent owed to a depositor up to $60,000. Reformers want a system of co–insurance so that if someone deposits funds in a financial institution which is regulated by the federal government, the depositor cannot be guaranteed 100 cents on the dollar to the first $60,000 he or she deposited.

• (1305)

There is a rationale for what the Reform members say and it does have some merit. The merit is that if I as an individual am responsible for part of the risk on that $60,000, I will be more prudent in selecting the institution in which I deposit my funds. I will investigate whether it is credit worthy. I will look around with due diligence before I make that deposit.

In theory that makes a lot of sense but in practice I wonder whether it would really work for the vast majority of Canadians. How many of them have the opportunity to investigate on their own whether a financial institution is really solvent, whether it is really solid, whether it is going to pay back their deposit within five years if it is a term deposit for that amount of time?

Can we really look five years down the road if we are making a term deposit, even if we have access to all of those financial documents? I am not really sure it is reasonable to expect everyone who deposits in a bank or a financial institution to do that, and most people do have deposits. Is it reasonable to expect all Canadians to undertake this with due diligence? Even if they do undertake it, is it reasonable to expect that they can look five years down the road when their deposit is to mature?

I like the idea of Canadians taking a greater role in looking at their returns and not just going for the highest return. If somebody is paying more than the going rate, perhaps there is a reason for it. Perhaps they are desperate for the funds and they will take them at any price. I suspect that what we have to do as a federal government is make sure through our federal institutions that the deposit taking institutions are solvent. Through the Superintendent of Insurance and other federal agencies we have undertaken that greater role of making sure those institutions to which we have given the privilege of taking deposits will hopefully be safe in the future.

This is why I believe it is important in order to protect the vast majority of individual Canadians that we continue to maintain the full level of deposit insurance. This does not mean we cannot look at this issue in the future and perhaps look at other ways in which we can achieve the same results.

I want to go back to the process by which we looked at Bill C–100 and how it evolved. It can serve as an example for other federal legislation.

The Secretary of State for Financial Institutions put out a white paper last spring. He gave the industry about three months to respond to it. The industry studied it and came back with its considerations. The minister took those considerations into mind when he introduced the bill which came down last spring.

The finance committee sat in the month of August and heard testimony on the bill. The committee did not wait for the House to give it this reference. The bill has not even achieved second reading yet. It had just been tabled in June but we thought it important to get feedback from the industry again.

The finance committee held two very intensive days of hearings here in August. About 15 recommendations for modifications to the bill were made. The industry was very enthusiastic that we had accepted what it had proposed for CompCorp which was the major issue, to try to protect policyholders of our insurance companies in the future.

• (1310)

The industry came back with some concrete and constructive suggestions as to how Bill C–100 could be improved. We have noted those suggestions. The vast majority of the recommendations made at the hearings were very constructive.

We are now at the stage that even before the bill has been officially given to the committee by the House, we are looking at the recommendations made by industry. We are having discussions with officials, and we are continuing discussions with members of the industry. I am sure by the time the bill sees the light of day again it will have a number of constructive amendments attached to it. The amendments will not be arrived at through confrontation nor by saying: "Here it is; take it or leave it". It will be through the constructive, co–operative efforts of those of us here in Ottawa, of the officials who are knowledge-

able and of those from the industry who are concerned with achieving a proper legislative result.

I commend the minister for this approach. I commend the industry for the very constructive role it has taken. There is only one sour note we have seen in this whole bill.

[*Translation*]

It was when the committee sat during the month of August. The separatists tried to attack the bill on the grounds that it was a federal intrusion in a provincial jurisdiction. That was not the case at all. It would have been ultra vires for the federal government to do so.

What we did was give the Bank of Canada the power to provide better protection for all Canadian institutions, including the caisses in Quebec and all the co–ops and banks, against major risks, the systemic risks in the financial system as a whole.

The separatists themselves asked to keep the Canadian dollar. So would they prefer to ignore a better way to protect financial institutions and the dollar? Even if Quebec were an independent country, it would be necessary to protect the large value transfer system and prevent systemic risks.

However, they do not want it now and never will. We all know that the Bloc strategy, the separatist strategy is to attack us every time we do something good for all Canadians.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, I note our hon. colleague has just said, and, very much to the point, I think, that the aim of the bill was never to invade Quebec's jurisdiction, and I believe him. I do not think the ministers opposite and our Liberal colleagues spend their time trying to think of ways to create bills to invade Quebec's jurisdictions.

That is absolutely true. I think their aim is probably to come up with good bills that will apply to all Canadians, in Canada's best interest. I am not questioning this, but the effect of the bill is to invade Quebec's jurisdictions—there is no way round it. Even Daniel Johnson, a Quebec federalist, agrees.

All this, because, on the whole, Canada is pursuing an orderly and intelligent course of development, which obliges it to centralize its powers. Mr. Trudeau recently stated that Canada cannot be decentralized any more than it is, because it is the most decentralized confederation.

• (1315)

Clearly, in order to become a strong country, Canada must centralize its powers in Ottawa, and this is in fact what the government is doing.

The effect of this centralization of powers in Ottawa is to rob Quebec of its powers. This is Canada's big problem. We have two sets of jurisdiction pursuing different interests for the most part. This has not been so obvious until now, because the Quebecers we sent to the House were lost in parties like the Conservative or the Liberal Party, where they were in the minority and where they were entitled to speak in the House only to toe the party line.

Now there is the Bloc Quebecois, which truly represents the interests of Quebecers and is truly in keeping with Quebec's history. This position is being defended not only by the sovereignists, but has been defended by events in Quebec since 1950 and earlier. The position has been defended by Quebec's premiers, whatever their political stripe—federalist or sovereignist.

There was Maurice Duplessis, who said, on Quebecers' behalf, "Rendez–moi mon butin à Ottawa", calling for the return of the province's powers, and he got them too. There was Jean Lesage, who started the Quiet Revolution, and talked of "Maîtres chez nous". What did he mean? He realized we lacked some of the tools we needed for our development. Then there was Daniel Johnson, Sr., who said "Égalité ou indépendance", and yet he was not a sovereignist. Toward the end of his term of office, he realized that it was absolutely necessary for Quebec to retain its powers and—if possible—obtain new ones for its economic and political survival. In this ever–changing political environment, René Lévesque managed to launch the sovereignist movement. This movement is still influential; it has led to the presence in this House members of the Bloc Quebecois, which is representative of Quebec.

Of course, there are representatives of Quebec within the Liberal Party. But these are isolated cases. Quebec is represented by the Bloc quebecois. I know that Canada needs to centralize its powers. I would like to ask my colleague a simple question. Does not he think that it is time—I know that the Prime Minister has said or at least implied, maybe not to us, but to Quebecers, that he might decentralize Canada or some minor services, when we know perfectly well—

Mr. Bryden: No, no.

Mr. Pomerleau: Yes, as a matter of fact. Well, there will be no decentralization, but the fact remains that the Prime Minister indicated to Quebecers there would be some decentralization.

Does my colleague not agree basically, if we consider the situation in a simple and rational manner instead of an emotional manner, that Canada needs to have all his powers in Ottawa, that Quebec feels that its powers should be centralized in Quebec City, and that any attempt to transfer powers from Ottawa to Quebec is bound to fail?

Mr. Peterson: Never, Mr. Speaker, will we give the provinces power over our monetary system.

The Bank of Canada's powers are based on its responsibilities for guaranteeing large value transfers, to create a safer, more responsible system for all Canadians, including Quebecers.

Why decentralize? Destroy what? Our monetary system, the Bank of Canada system? That would be stupid, and the hon. member knows it.

Why, during the referendum campaign, did they ask for the right to use the Canadian dollar? Were they afraid of using another monetary system? Of course they were. Why did they spend so much money to support the Canadian dollar when the markets were almost predicting Quebec's separation? They were afraid. That is why the Bank of Canada must be able to control and guarantee transfers as provided for in Bill C–100.

• (1320)

I will not get into a debate on the other powers that could be devolved to the provinces. There is certainly a great deal of overlap and duplication in powers. Our Prime Minister said that it would be better to work together with all the provinces to better serve Canadians in reducing spending, red tape and duplication.

As far as manpower is concerned, almost a year ago, the minister wrote the Quebec government in an attempt to negotiate something in the sector mentioned by the hon. member. He never received an answer. This shows the hypocrisy of the Bloc in this House. They want to get powers, money and independence without contributing to the debate affecting all Canadians. They will continue to do so, but we will not be fooled. Even without the Bloc's co–operation, we will continue to build with all the other members of this House a more effective, more profitable, more generous, more prosperous country. And we will do so in spite of the separatists.

[*English*]

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I applaud the comments of the member for Willowdale. I agree completely with everything that he said. The opening comments of my speech on this issue were reflective of that.

Getting to the issue at hand, co–insurance is very important. It is important because there has to be accountability in the marketplace and a responsibility if we are going to have monetary controls, if we are going to be able to give people any sense of comfort.

We must end in a way with the small depositor in particular, having some form of protection. As I pointed out in my speech, the difficulty of having 100 per cent protection and not having co–insurance is that the government then has to step into the monetary market to an extent that the small investor is absolved of responsibility for his or her investment decisions.

That is bad because money is not moral, money is not national. Money is neither of those things. Money is a way of exchanging value within the entire world community. To isolate depositors to federally controlled institutions from the reality of that is to introduce into Canada a system of insulating us from the reality of trading money.

I point out that there is an almost universal consensus for co–insurance. In spite of diverse interests, the banks, the insurance industry, both the present and the past superintendents, the chairman of the CDIC, the Canadian Institute of Actuaries, academics, including most recently the Public Interest Advocacy Centre which studied the issue from the consumer's point of view and the Senate banking committee, have supported co–insurance.

In light of this virtual universal acceptance of the idea of co–insurance, would the member who is the chairman of the Standing Committee on Finance support an amendment put forward at report stage by the Reform Party to seek co–insurance, instead of what is currently proposed in this bill?

• (1325)

The Acting Speaker (Mr. Kilger): Much to the regret of the House, the hon. member will not be able to respond because the time for questions and comments has lapsed. As much as the member for Willowdale might like to reply, time has run out.

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I welcome the opportunity to add my voice to those of my hon. colleagues in the government in support of Bill C–100.

The government has taken the position that the state and its officials should not try to do what others can do better. This is particularly true when it comes to the world of business and when it comes to making sure that we do not stand in the way of private sector dynamism. Furthermore, never in Canada's history has it been so important to control the cost of government. Our fiscal situation demands it and so do Canadians, who are suffering from tax fatigue.

I raise these points because they represent important underpinnings for some of the measures before us: specifically, the actions that Bill C–100 will implement regarding corporate governance.

Underlying the changes to the governance framework is a very basic assumption. The simple fact is, no system can forestall any financial institution failure unless it is given the authority and resources to oversee all management decisions and unless institutions are severely restricted in the loans and investments they can make. However the price of such a failure safe system, even if it did work which I doubt, would be to strip that industry from contributing to the dynamism, growth and evolution of our economy.

This is where the issue of cost also raises its head. To try and implement greater micro–management of the financial sector

will require a veritable army of additional auditors and regulators. This is the approach used in the United States. However, at a time when governments must downsize, I do not see this as an option anyone here wishes to embrace.

The alternative is to take a governance oriented regulatory approach by putting greater onus for the well–being of financial institutions on the management and the board of directors of financial institutions. This is an approach employed by the United Kingdom regulators.

Whether either approach could be characterized as a more efficient system of governance is difficult. Each system functions at opposite ends of the spectrum and it would be difficult to advocate that one approach was somehow foolproof in preventing failure, or better than the other, given the global environment in which institutions must operate.

As the Secretary of State for International Financial Institutions has argued so well, and I concur, our supervisory and regulatory systems cannot be positioned as a mechanism or regime dedicated to preventing an institutional failure. If we tried to do that, we would limit the potential well–being of the financial sector and its ability to serve the economy and Canadians. Rather, any specific supervisory approach should be built around the fiscal, business and economic environments. It is important that the regulatory tools be responsive to changes in these environments.

The changes in Bill C–100 to the governance for financial institutions strike a balance. They are not intrusive. Rather they clearly recognize that the role of the Office of the Superintendent of Financial Institutions is not, and cannot be, to micro–manage financial institutions. They give OSFI due authority but not excessive authority to intervene in the governance of financial institutions but only when circumstances warrant.

I should also highlight that the changes in Bill C–100 build on and enhance changes introduced in the wide ranging reform of financial statutes of 1992. It was during the 1992 reforms when the statutes were revised to require that no more than two–thirds of the directors could be affiliated with a financial institution. In other words, at least one–third of the directors would have no relationship with the company and as a result, would not in any way be beholden to management.

The 1992 reforms also implemented the requirement that important board committees, such as the audit committee, be comprised of a majority of unaffiliated directors. These were valid and valuable changes, but they left some unfinished business that Bill C–100 will complete. They enhance the balance which would place onus on management and directors for their own governance and yet allow the regulator to intervene where circumstances warrant.

The Acting Speaker (Mr. Kilger): I regret to interrupt the hon. member, but 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*]

MEMBERS OF PARLIAMENT

Mr. Derek Lee (Scarborough—Rouge River, Lib.) moved:

That, in the opinion of this House, the Parliament should adopt specific measures to enable and ensure access by members of Parliament to all judicial, quasi–judicial and administrative hearings held under the provisions of the Immigration Act, the Young Offenders Act and the Corrections and Conditional Release Act.

He said: Mr. Speaker, the motion exhorts the government to put in place measures that would allow members of Parliament access to what are now closed door procedures under three separate federal statutes. The exhortation is for access, not a procedure for making submissions or representations. It is merely for access, presence or entry into procedures which deal with the rights and liberties of Canadians behind closed doors.

I have three short anecdotes gained from my several years of experience as a member of Parliament where, as have all of us in the House, I confronted barriers to access for members of Parliament when fulfilling our duties.

The first anecdote has to do with an Immigration Act refugee hearing about five years ago. Someone came to me to ask for my assistance in gaining a visitor visa for a brother. I did what I could. In the end after two or three interventions and a lot of work a visa was issued. The brother came and in complete disregard of all that had happened and the good faith of the family, he made an application for refugee status. I knew the man was a liar. I also knew he had put forth false information. I knew that the applicant would be presenting that false information at a refugee hearing.

Therefore I followed it very closely, particularly because what had happened was an abuse of my office and collectively involved the offices of all members of Parliament. I owed a duty to my constituents and to Canadians to make sure that my MPs office was not abused.

I went to the hearing where to my surprise I found that it was a closed door hearing and I could not be admitted. As things turned out, the hearing was adjourned. I made an application for access and it was granted. I was allowed to be present at the

hearing but in the end I did not have to present evidence. The application was denied and the man was deported. Under a federal statute a hearing can take place and under a law enacted by the House MPs do not have access. That case worked out reasonably well but it caused me concern.

• (1335)

There were two subsequent cases, one involving the prosecution of a young offender charged with murder under the Criminal Code. In that case I did not need to have access at the time, but I did take note of the provisions of the Young Offenders Act that can exclude individuals or groups from young offender hearings. A little light went on and I thought it was not healthy to have a statute enacted by the House excluding members of Parliament not specifically but generically. That was another case.

A third case involved parole hearings. Under current legislation there is no provision for access by any of the public to those hearings. In one particular Parole Act statute, and I do not know when it was repealed, MPs and senators were given access to parole hearings. Under the current Corrections and Conditional Release Act there is the absence of any provision to provide access to MPs or to allow the public access to those hearings.

I was at the Warkworth Institution about four years ago and had the benefit of attending a hearing, thanks to the decision of an inmate and his solicitor. It was useful to walk through the process at the time. There is hardly a member of Parliament in this place who will not be called upon at some point in his or her career to address issues involving hearings under the three statutes. My motion raises the issue for consideration by the House.

We are accountable to our constituents for the effectiveness and fairness of every procedure under all federal statutes. We are responsible to ensure the collective rights and liberties of our constituents are protected and are not abused by the procedures. We enact the laws and we are accountable to our constituents for them.

We are legislators but as history has evolved members of Parliament are also ombudsmen. That second role means that we must have as much access and freedom as an ombudsman in any provincial government, in any municipal government or at the federal government level. At the moment in the three federal statutes there are barriers to that access.

To the extent that MPs are unable to access the procedures, we run the risk of impairing our role as ombudsmen. The purpose of the motion is to get us all thinking a bit about our roles in particular under the three statutes. We must consider what we do when we enact statutes in the House and roll back to some degree the present barriers.

For the sake of the record I will cite the sections of the three statutes. In the Young Offenders Act it is subsection 39(1) and subsection 39(3). In the Corrections and Conditional Release Act it is subsection 140(5). In the Immigration Act it is subsection 69(2).

I wish to make a few comments about how the role of members of Parliament has evolved over the years. I have mentioned the legislator role and the ombudsman role. Parliament has evolved over the years, but in terms of the newer role of ombudsman it has not evolved sufficiently. Our ombudsman role is carried out in part based on the privileges of members of Parliament which are fairly well articulated, constrained and referred to directly and indirectly in the Constitution, in the Parliament of Canada Act and in the common law handed down to us when Parliament was created 128 years ago.

• (1340)

I do not have to go over them but I will point out that in every session of Parliament it is important for MPs to resubmit our request to the Sovereign for confirmation of our privileges in the House of Commons. The words read somewhat archaically but in a real way:

> We humbly claim all of our undoubted rights and privileges especially that they may have the freedom of speech in their debates, access to Your Excellency's person at all seasonable times, and that their proceedings may receive from Your Excellency the most favourable construction.

As obscure as some of those words are, they are the request for the body of privileges and rights we collectively have in the House of Commons. We need them for the most important modern roles we have as members of Parliament, legislators and ombudsmen.

I was somewhat shocked about two months ago to read a legal opinion submitted to a committee by a body created by the House for the purpose of assuring Parliament and Canadians of the rights and liberties of Canadians in a particular field. The opinion was essentially that the body appointed by a statute enacted in Parliament did not have the obligation to answer questions put to it by members of Parliament at committee. It is a very serious issue for members of Parliament and has been for hundreds of years.

The legal opinion appeared to me to be completely ignorant of parliamentary law, which as I stated earlier is part of the Constitution. It verged on being contemptuous of parliamentary law. I simply put that on the shelf and say that hopefully there will be more on the issues of privilege and disclosure to parliamentarians in the new year.

There are two ways to address our role as ombudsmen. First, we could expand our privileges. Some of us believe that is not a great way to go, that there are more effective ways of addressing the problems. However we need to ensure our rights and privileges are vital, responsive and evergreen in what we need to do in our job as members of Parliament. Second, we can be

vigilant when enacting legislation to ensure that our role as MPs is not impaired in connection with procedures under the statutes. The motion before us today is attempting to roll back barriers that we have placed in the statutes.

• (1345)

Canadians want to know that their MPs are equipped, fully aware and conversant to deal with all of the procedures under federal statutes. We enacted them, so we had better know what is going on under those procedures. In order to know fully what is going on on behalf of our constituents, I say that access is fundamental.

When I say access I am not saying that we have to change the procedures to allow MPs to make representations, submissions, arguments and get involved in the process; I am simply saying access. We should not close the door to ourselves in fulfilling our work as MPs.

I ask my colleagues, the officials of government and the ministers to take note of this important issue.

I will not close without putting on the record what should be to all of us in this place self–evident. In our system of government the ministers sit in the House. They have burdensome responsibilities. I am sure they live 26–hour days. However, in doing their work they would be more likely to be ministers of government and less likely to be parliamentarians working for Parliament. Their job as ministers is to work for the government. They sit in Parliament. I suppose that most of them are good parliamentarians, but in terms of addressing the parliamentary agenda, very few of them would take the initiative to address matters directly on behalf of Parliament. That is somebody else's job. Whose job is it? It is not the ministers', it is the parliamentarians' job. It is the job of every member of Parliament and every senator who sits in Parliament.

In dealing with this issue we must not look to government. We must not look to ministers. We must look to ourselves. Hopefully the ministers will acquiesce in the constructive, positive things we do for Parliament.

Everything we do for Parliament will be handed down to our children and their children. We must not let this place atrophy. We must ensure that Parliament and its procedures are responsive to and vital for Canadians. It is our job to do that.

I leave this motion with the exhortation that it is our job to do this. Hopefully there will be support for this type of initiative, not just in this motion but as we pass legislation in the future.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I want to speak today to Motion No. 39, moved on January 18, 1994, by the hon. member for Scarborough—Rouge River, which reads as follows:

> That, in the opinion of this House, the Parliament should adopt specific measures to enable and ensure access by Members of Parliament to all judicial, quasi–judicial and administrative hearings held under the provisions of the Immigration Act, the Young Offenders Act, and the Corrections and Conditional Release Act.

This motion refers to three acts. As a general rule, court hearings are public. In camera hearings are the exception. It is not very hard to understand that confidentiality may be required when the life, freedom or security of a person could be put at risk by public hearings.

In immigration matters, the court that rules on refugee status claims is the Immigration and Refugee Board, the IRB.

• (1350)

The IRB is made up of three divisions: the Refugee Division, where proceedings are normally held in camera; the Appeal Division, where normally proceedings are public; the Adjudication Division, where normally proceedings are public also.

Section 69(2) of the Immigration Act provides that: "Subject to subsections (3) and (3.1), proceedings before the Refugee Division shall be held in the presence of the person who is the subject of the proceedings, wherever practicable, and be conducted *in camera* or, if an application therefor is made, in public". This is the provision the member's motion deals with.

Subsection (3.1) adds that: "Where the Refugee Division considers it appropriate to do so, it may take such measures and make such order as it considers necessary to ensure the confidentiality of any hearing held in respect of any application referred to in subsection (3)". The legislator has therefore established the confidential nature of hearings before IRB commissioners, since refugee claimants may have to give details about their life and the dangers they had to face. Sometimes, as is the case with rape victims, they have to describe intimate situations and circumstances that the public does not have the right to know.

On the other hand, confidentiality is not needed in appeal cases dealing mostly not with facts but points of law. Thus, sections 80(1) provides that "Subject to subsections (2) and (3), an appeal to the Appeal Division shall be conducted in public". This is the general principle.

The exception is covered by subsection 80(2). It reads: "Where the Appeal division is satisfied that there is a serious possibility that the life, liberty or security of any person would be endangered by reason of the appeal being conducted in public, the Appeal Division may, on application therefor, take such measures and make such order as it considers necessary to ensure the confidentiality of the appeal".

As for the Young Offenders Act, it states, under subsection 39(1) that: "Subject to subsection (2), where a court of justice before whom proceedings are carried out under this Act is of the opinion (*a*) that any evidence or information presented to the

court or justice would be seriously injurious or seriously prejudicial to

(i) the young person who is being dealt with in the proceedings,

(ii) a child or young person who is witness in the proceedings, or

(iii) a child or young person who is aggrieved by or the victim of the offence charged in the proceedings, or (*b*) that it would be in the interest of the public morals, the maintenance of order or the proper administration of justice to exclude any or all members of the public from the courtroom, the court or justice may exclude any person from all part of the proceedings if the court or justice deems that person's presence to be unnecessary to the conduct of the proceedings".

This provision is very clear as it relates to young offenders. This piece of legislation is based on the principle of rehabilitating young offenders. While the need for punishment is recognized, the focus is on rehabilitation into the community to preserve the public peace. That is why it strongly protects the young offenders' identity, disclosure of which to the media, as well as the disclosure of any fact that could give away their identity, being forbidden.

Also, the presence of observers is controlled to ensure fair treatment to all. There is a strict procedure governing admission to hearings, and it is difficult to see why these measures ought to be changed. Once can easily imagine what impact the presence of a member of Parliament in the courtroom would have on a young offender. And what use would this information be to the member, since none of it can be disclosed in any case?

• (1355)

The third statute referred to in the motion is the Corrections and Conditional Release Act. Subsection 141(4) of that act provides that: "The commission may, to the extent deemed absolutely necessary, prevent the communication of information to an offender, if it has reasonable grounds to believe that such communication would be against the public interest, would jeopardize the safety of a person or of the penitentiary, or would jeopardize the holding of a legal inquiry".

Looking at the three above-mentioned statutes, I think that Parliament was right, in the specific cases that were mentioned, to allow in-camera proceedings and to protect confidentiality of files, as well as the right to privacy of individuals.

I realize that the hon. member for Scarborough—Rouge River seeks to facilitate the job of parliamentarians by, among other things, ensuring that they can attend any judicial, quasi-judicial or administrative hearing, if only to verify the administration of federal statutes.

However, there are other ways of assessing the effectiveness of a piece of legislation. Let us not forget that separating the legislative and judicial powers is a basic principle to ensure a sound democracy. In that sense, the presence of a member of Parliament, who is a symbol of political power, would not always be a good thing in the situations targeted by the hon. member's motion.

The Immigration Act best exemplifies the negative impact that the presence of an MP could have on a refugee claimant, who may never have appeared before a court in his country of origin, and who does not really know Canada's rules and policies in that regard. Such a presence could often be intimidating for the claimant. This is especially true if the claimant knows that the MP is not particularly receptive to his claim. This is sometimes the case, as in the Malik affair, which took place in Toronto, in 1991, and to which the hon. member for Scarborough—Rouge River just referred.

These three statutes all authorize in-camera proceedings or public hearings. At certain stages of the process, they require that some restrictions be applied, so as to ensure protection of, among other things, the right to privacy. Why should members of Parliament be allowed to violate these rights, and what use would they make of the information obtained?

This is the real issue. For all these reasons, I oppose Motion No. 39.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, in my short period as a member of Parliament this will be the third private member's bill I have had the pleasure to speak to and in favour of. The first two were from the member for York South—Weston and the member for Hamilton—Wentworth.

I am happy to see a motion such as this with the common sense attached to it the Canadian people have been talking about for many years, with government not listening. I am dismayed that common sense motions that reflect the mood of the Canadian people have not been forthcoming from the government and the ministers themselves. They primarily come through private members' motions.

I am pleased to have the opportunity to speak to Motion No. 39 today put forward by the member for Scarborough—Rouge River. I understand the intent of the motion. It is a terrific motion. It is long overdue.

The motion seeks to open up judicial and quasi-judicial hearings to members of Parliament. The member is quite right

when he talks about how an MP's daily role now takes on the form in many cases of an ombudsman. We are elected to represent our constituents. The people come to us with many concerns they want us to help them with.

• (1400)

A number of constituents have asked me what is wrong with the system. Why is this person in the country when he has such a terrible criminal record in the country he came from? Does no one know about these things? What goes on in those hearings?

The case the hon. member was involved with, the Malik case, was an example. It was not, as I understand it, criminal activity, but the individual had entered Canada under pretences. I understand he applied for a visitor's visa and the member went to bat for him on it, and then when the person arrived as a visitor he promptly claimed to be a refugee. Without the knowledge of this the refugee board would have no idea about the deceptive method by which the person came to Canada.

I disagree with the member for Bourassa when he said that this person's position could have been prejudiced. Truth never prejudices anything. Truth is always what we as MPs should be looking to see prevails in every case.

In his motion the member refers specifically to such hearings held under the Immigration Act, the Young Offenders Act and the Corrections and Conditional Release Act. As members know, in our lifetimes we have been absolutely frustrated and bewildered at times by some of the decisions that have come out of these three institutions.

We ask how the parole hearings can possibly release this person into society. We may never know why some of these things happen. We would never know unless somehow we as MPs, as the ombudsmen for our constituents, had some form of access. I am sure the member is not talking about intervener status or advocacy status. I believe that in the bill he is simply talking about automatic observer access to hearings, so that when he as a member of Parliament, a representative of the Canadian people, sees that something is going on that is simply not right, he will be better able to speak about it in the House of Commons and maybe in some legislation to try to correct the wrong that is being done or the interpretation of the rules that is not conducive to what the Canadian people feel.

Certainly the three institutions the member lists are the very three I have had the most trouble with in my lifetime with regard to their decisions. I support the member's bill with regard to these three institutions.

I am aware that particular members of my own party, the Reform Party, have been involved in the process and have experienced first hand some of the barriers that face MPs when they attempt to attend some of these quasi–judicial hearings. I am referring to the members for Fraser Valley West and Calgary Northeast.

The member opposite thinks this is a joking matter. The fact is in these two instances a refugee had committed some serious crimes in Canada and the immigration people were trying to get this person out of the country. The person went before a hearing and the member for Fraser Valley West was in fact prevented from attending it. The member had personal firsthand knowledge of some of the things that may not have been brought out there. He was not allowed to present them. I understand that; that is proper. However the members of this quasi–judicial committee were not regarding this case in the fullest sense of the circumstances.

• (1405)

This was of great concern to the member for Fraser Valley West, because he had the protection of society as his first thought in mind. There was the very real possibility that if this individual had been granted refugee status he would have been a threat to the public safety of the citizens of British Columbia. He had a lengthy criminal record, including a charge of rape. However, as these MPs found out, the safety and the rights of victims are secondary to the rights of a criminal before a quasi–judicial body.

I know that the member for Scarborough—Rouge River has had personal incidents where he has run up against the same type of situation, where he was barred from attending a hearing. Motion M–39 would seek to change this situation by permitting automatic observer access to these hearings. Based on the member's own experience, I can fully understand the intent of the motion.

There are a couple of things we have to be very clear and very careful about. I am sure the member in his motion does not imply this in any way. We have to be careful that MPs are not permitted to interfere in any way with the operations and decisions of these hearings as a participant. Nor should an MP be permitted to put pressure on the people who are conducting the hearings.

I suppose the motion—and perhaps the member for Bourassa has taken this opinion—could be interpreted in such a way that an MP would have some sort of official status or presence in the hearing. I do not think that is the intent of the motion. The wording should be examined very carefully: specific measures should be adopted to enable and ensure access for MPs. The word that needs to be clarified is "access". This could be taken to mean a whole range of things. I agree with the hon. member for Scarborough—Rouge River that his meaning of this is very specific and narrow. However, it could be interpreted, as it was by the member for Bourassa, as being perhaps prejudicial to any of these hearings.

Time goes quickly when speaking on a bill of such importance, and so I will close. Although this bill will certainly enable the MPs to do their job as ombudspersons for the people they represent and it will go a long way to helping us, I really believe that ultimately this government will have to take a look at the legislation which covers these institutions and make major

reforms to them so that the Canadian people once again can have some confidence in these quasi–judicial bodies which are supposed to protect our society.

My party and I will support the member's motion. We wish him success in this motion, wherever it may travel from here.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am very proud to live in a country that is seen around the world as being kind, compassionate and welcoming as a nation. Over the past few decades we have opened our hearts to tens of thousands of refugees. We have been a safe haven in a world of hunger, death and tribulation.

• (1410)

A key element of our refugee determination system is the Immigration and Refugee Board. The board was established in 1989 to allow refugee claimants the right to an oral hearing. These hearings are usually not open to the public. There are a number of very good reasons for this.

[*Translation*]

A number of applicants are worried that what they say during their hearing with a view to obtaining refugee status might reach the ears of groups involved in persecution in their country of origin. Even though they are safe here in Canada, they fear that relatives and friends may be exposed to reprisals for their statements.

[*English*]

We may have difficulty imagining that possibility from here in Canada. It is sometimes hard to imagine that there are regimes where you could be arrested, tortured, or killed for your beliefs or for the beliefs of your friends and associates. We must remember this. If we want the truth, and that is what the refugee hearings are all about, we need to make sure the claimant feels that he or she has the full opportunity to be heard.

We are also concerned with having a system that is open to the public. Accountability is a vital and cherished cornerstone of our governing system. That is why we have struck a balance between the right of the public to know and the right of the claimant to protection and security.

It is a principle of Canadian law that judicial and quasi–judicial decision making take place in an open and transparent environment. The hearings held by the immigration appeals division, for example, are held in public. As I have said, sometimes there must be limits on that openness and transparency. That kind of limit is indeed even enshrined in the Canadian Charter of Rights and Freedoms in section 1, which talks about reasonable limits prescribed by law that can be demonstrably justified in a free and democratic society. The balance provided in the Immigration Act between the rights of the claimant and the rights of the Canadian public was intended to respect the competing charter concerns.

There are two ways in which an individual or the news media can gain access to the hearing: either the claimant can consent to the presence of the individual, or the hearing panel can, in response to an application, declare the hearing open to the public. In the latter case, the burden is on the claimant to establish that the life, liberty or security of any person would be endangered by a public hearing.

[*Translation*]

It would be very worthwhile for members to let their constituents know what really goes on in these hearings. It would be very difficult to understand an applicant's objecting to the presence of a representative of the Canadian Parliament, except in very unusual circumstances.

[*English*]

Is an amendment needed to achieve this level of access to the hearing process? Are lawyers and other counsel advising their clients to resist access by parliamentarians to the hearings? Are members of Parliament being left only with the recourse of litigating the issue of access before the refugee division and the courts? No, they are not.

Accountability is a hallmark of good government. The Canadian government has always held the public's right to know to be sacrosanct. It is a principle we will never abandon. Liberty, justice and freedom demand this. Sometimes the need for individual security demands privacy. An individual's right to safety and protection is another cornerstone of our society. It means we often have to strike a delicate balance. I believe our system does this.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I am pleased to rise in support of Motion No. 39. I congratulate the member for Scarborough—Rouge River for having introduced the motion.

He touches on something even deeper than what he remarked on in his own speech. That is, while we all agree that judicial processes should be as transparent as possible, this is particularly important when it comes to order in council appointments.

One of the things he failed to touch on in his speech is what we are dealing with here are boards and tribunals of a quasi–judicial nature, which may have officers of the judicial body who are appointed by government. The motion is very important in this regard, for if we have a quasi–judicial body that consists of government appointees and we do not have a mechanism whereby the deliberations of that body can always be monitored by a

representative of the elected people or by the public in some way or another, then we have a very dangerous problem.

• (1415)

I looked at the Immigration Act where it describes the conditions for in camera proceedings. I also noted the remark by the member for Bourassa who said that only the refugee status hearings were the ones held in camera. I submit that the refugee status hearings are precisely those hearings where all the action takes place. This is where we measure whether or not the quasi-judicial body is doing its job. This is where we measure whether or not the people appearing before it should be granted refugee status.

When it comes to the role of the opposition and the role of all members of Parliament in all this, I would expect that opposition members and government members would be extremely interested in how a refugee board or a parole board was performing. This is exactly what we should be doing. The member for Scarborough—Rouge River has a very good point that at the very least if we cannot open these hearings to journalists and the public at large, a member of Parliament should be able to attend them freely.

This is no worse a level of entrusting confidentiality than we would to a minister, a priest or any other person who has a particular position of confidence and importance in the public eye. Who could be more important, if I may say, in the public's eye than someone elected to represent the people?

The question that follows is whether the elected member will hear something he or she should not hear. The member for Bourassa was citing examples where there might be descriptions of personal abuse. I expect members on all sides of the House would respect the reasonable confidences of the innocent people whose testimony they may hear.

On the other hand, members hear independently the performance of the judicial board. For example, it is very important in the interests of democracy to make sure that order in council appointments are not gross patronage. We want to know that the people appointed by the government are people of quality who can do the job. How can we do that unless a member of Parliament from either side sits in on the proceedings?

In the final analysis, the MP has an important role in all of this quite apart from checking the quality of the job done by the members of the tribunal or that justice has served the person appearing before the tribunal. The member of Parliament has the ultimate responsibility because he or she is the law maker. We are the law makers. We cannot make laws unless we can see clearly for ourselves in person that the laws are working. If there is any area of government whatsoever where the law maker, the member of Parliament, cannot go in and see whether the laws are working, then we have a very serious problem.

I congratulate the member for Scarborough—Rouge River for raising this matter because it is a very large and important issue. I would suggest to the members of the Bloc that they should consider this very carefully. They are always saying they believe in the parliamentary system, parliamentary democracy and the need for transparency, and I believe them. I would suggest they reconsider this motion and give it their full support.

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, it is a pleasure to stand and support Motion No. 39 on behalf of the member for Scarborough—Rouge River. This is the second private member's motion brought forward by the member to which I have had the pleasure and privilege of speaking.

The member for Scarborough—Rouge River is once again bringing to all members of the House a problem that requires very little effort to rectify. However it may cause members of Parliament to be left in a difficult position when it comes to giving proper representation to cases involving the Immigration Act, the Young Offenders Act and the Corrections and Conditional Release Act. Members of Parliament must be allowed to represent the people who elected them to the full ability they are given under the law and to ensure that they have access to all information concerning the aforementioned acts.

• (1420)

At the present time an immigration hearing is off limits to individual members of Parliament. This is a problem particularly if the member is privy to information which may better represent the truth than the story being presented.

If a family promotes a visitor to Canada through the assistance and help of a member of Parliament and assures the member of Parliament that the person will return to their native land on a specific date, and if the visitor then applies for refugee status upon arrival and asks for welfare in the interim, that is a direct abuse of the system. It may well be that the member of Parliament is the only person aware of the original application and the promises which were made at that time. Therefore, why is the act very specific in section 69(2), which reads that the proceedings before the refugee division, et cetera are to be conducted in camera?

Members of Parliament are elected both to serve as legislators and to act as de facto ombudsmen. In cases where the member of Parliament has an interest and where he or she feels there may be an injustice, they should be allowed observer status automatically. That is not to say that any member of Parliament can attend any closed door meeting going on at any time. The member must be allowed to attend the meeting in which he or she has an interest and may be in a position to dispel some of the myths which are present at a number of these closed door meetings.

In the case of the Corrections and Conditional Release Act of which I am well aware from my experience on the parole board, the parole board may decide at its option to exclude anyone it wishes from the hearing. In other words, it may decide that no witnesses are allowed: no family, no friends or character witnesses who may help the person to gain parole or in fact lose parole. That is allowed under section 140(5) of the act.

Once again a member of Parliament is removed from the role even as observer status in a hearing which may affect the community into which the person could be released on a parole pass, even though the member of Parliament may have important knowledge of the circumstances surrounding the release of the offender.

The hon. member for Scarborough—Rouge River is not asking for a huge change in these acts. It is a change which can be accomplished with the stroke of a pen if the motion is passed. It is a necessary item of business which requires very few administrative dollars. It opens up the system and makes it transparent. It will help all members of Parliament to function in a more complete manner for the people who have elected them.

I urge the support of all members for Motion No. 39 sponsored by the hon. member for Scarborough—Rouge River. Let us open up the closed door meetings of these agencies and allow members of Parliament to further serve their electors in an effort of fairness for all.

The Acting Speaker (Mr. Kilger): The hon. member for Scarborough—Rouge River, under whose name Motion No. M–39 stands, has asked the Chair if there would be unanimous consent to grant him under right of reply one minute to close the debate. It must be clearly understood that no one can speak after his intervention.

Is there unanimous consent?

Some hon. members: Agreed.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, as we wrap up debate on this motion I would like to thank all members for their interventions.

I confirm that the intent of the motion is not to open up closed door hearings completely and not to disclose confidences of witnesses and parties to hearings. It is not to embarrass anyone. It is to facilitate the work which we all do as MPs from time to time. It is to ensure that in the future our legislation is sensitive to and cognizant of the need of members of Parliament to have access to these tribunals, to view them in operation, to see the appointees do their work and to ensure that there is fairness and efficacy in our federal system of government.

The Acting Speaker (Mr. Kilger): I thank the hon. member for his co–operation.

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.

[*Translation*]

It being 2.30 p.m., this House stands adjourned until next Monday at 11 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 2.26 p.m.)

HOUSE OF COMMONS

Monday, November 27, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA POST CORPORATION

Mr. Cliff Breitkreuz (Yellowhead, Ref.) moved:

That, in the opinion of this House, the government should immediately take the required measures to privatize all operations and services of the Canada Post Corporation.

He said: Mr. Speaker, I would like to thank my colleague for seconding the motion.

My speech will be about 10 minutes long to allow my colleagues to also speak to private members' motion 312. I preface my remarks by stating that Canadians need and deserve an efficient postal service.

The Reform Party supports placing the ownership and control of corporations in the sector that can perform their function most cost effectively, with greatest accountability to owners and the least likelihood of incurring public debt. We believe there is overwhelming evidence that this would be the private sector in the vast majority of cases.

As far as Canada Post Corporation is concerned, the Reform Party supports free competition for the post office. There should be no restrictions on private competition in the delivery of mail, which brings me to my private members' motion. It calls for the government to take measures to privatize the operations and services of the Canada Post Corporation.

There are at least two essential considerations. First, is there any reason at all to involve government in mail delivery? Should it be completely privatized or totally deregulated? Second, if there is reason for government involvement in mail services, is the current system the best and the right way to do it?

As far as the first consideration is concerned, if our goal is simply to maximize efficiency, there is no role for government operations or subsidies here or anywhere else. If people who live in remote places find that mail is hard to send or hard to get, that is a consequence of their home being somewhere remote. If they do not like it, they should move closer to a city or area where mail service is better. Of course, I am not advocating that option.

• (1105)

It is normally argued that the purpose of a national mail service is to contribute to national unity by allowing everyone from sea to sea to sea to send and receive letters at a reasonable price. If this is true, there has to be some sort of government role.

The bulk of the mail is between businesses and their customers, in and around large towns and cities where deliveries can be made cheaply because the volume is so high. In a truly private world, the more remote you are the more your mail will cost. It is true that people in remote places generally are among the less wealthy and less able to afford high postal rates.

Most people, except possibly a few federal cabinet ministers, understand that free citizens do things better, cheaper and more nicely than government. Therefore we should assume that government should not become involved in any particular area and put the burden of proof on those who say it should stay involved and to explain why.

In the case of mail delivery the reason for involving government is to make sure that all Canadians from coast to coast to coast have access to mail in the interests of the national community and national unity. It is not because people think the government would do a good job of delivering the mail, even by the normal standards of bureaucracy.

However, people who think the government should ensure that everyone can get and send mail cheaply should still not want a postal monopoly. The right way to manage the mail would be to promise that anyone, anywhere can mail a letter for a certain rate, say 45 cents. The entire field of delivery would then be thrown wide open and deregulated totally, except that the government would pay for but contract out the job of making mail deliveries at 45 cents per letter to places like Inuvik, that private carriers just could not and would not service cheaply.

This would be paid for out of general revenues. Since the goal of promoting national unity is one that benefits all Canadians equally, it makes sense to ask them all to pay for it. The argument will be made that the government would lose money on this even if it is compared with the present system. What the present system does is penalize all users of mail and all potential

mail delivery servers quite heavily. It allows every Canadian to get mail, but imposes the cost disproportionately on one group and in the process damages the Canadian economy. I suggest the damage to the Canadian economy at the hands of Canada Post is not small.

CPC is a perennial money loser, having lost money in three of the last five years, ending its most recent fiscal year with a $68.8 million loss. That amount is only a fraction of the cost to the Canadian economy by the mail monopoly. Slow delivery, private opportunities denied and lost, excessive charges for mail in big towns and cities that could be delivered for less than 45 cents and burdensome bureaucracies are some of the inefficiencies.

The real cost of Canada Post is higher than its on–book losses. Here are a few losses to consider. There is the $68.8 million loss which I just mentioned for 1993–94. It was $22 million higher than the company executives predicted just a year before. Some prediction and, I suppose, some executives. The books also showed a $270 million deficit even though last year CPC showed a profit in its first class mail delivery; a $282 million entry attributed to internal restructuring of some kind. That is more than five times higher than the previous year's entry. No explanation was given for what type of restructuring.

• (1110)

Here is another interesting phenomenon: 41.7 per cent of CPC'S volume of delivered mail is in the form of unaddressed advertising, or as Canadians so affectionately refer to it, junk mail. Here is the kicker. Junk mail generates only 5.2 per cent of CPC's total revenues, which means that nearly half of CPC's volume produces a paltry 5.2 per cent of its revenues.

To the viewers watching, I hope they are sitting down for this. It is illegal for private mail carriers to charge less than $1.29 a piece for the delivery of first class mail, which is nearly three times as high as the already exorbitant price of 45 cents a stamp charged by CPC. It is a monopoly and it is still losing money.

The government is planning to review the operations of CPC. That is really what our country needs, and the people are just dying for it, another study by this do nothing government. CPC should be privatized using the contracting out model of reform on the least subsidy basis; that is, ask for bids to deliver the mail, charge customers 45 cents and take the bid from the company that delivers to remote places as efficiently as possible. The extra cost would be taken out of general revenues as I stated earlier.

One thing is certain. CPC is pricing itself out of the business of delivering mail, especially with more and more businesses turning to faxes and E–mail. CPC is a top down, inefficient monopoly that has no place in the emerging global economy. I urge the government to take action to allow private carriers the opportunity to be involved in mail delivery. Not only would it help to fix our ailing economy, but the Canadian people would be much better served.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, the motion before the House states:

> That, in the opinion of this House, the government should immediately take the required measures to privatize all operations and services of the Canada Post Corporation.

I cannot support this motion. To support it is to support an end to universal access. My riding of Annapolis Valley—Hants is primarily a rural riding, a riding where people recognize the important role of the post office in strengthening the economic and social infrastructure of our communities.

Much like myself, the hon. member for Yellowhead lives in and represents a predominantly rural riding, an area where a private corporation might not choose to provide a service. Does the hon. member realize that if this motion were adopted, the postal services in his riding and in rural ridings across Canada could be seriously affected or become non–existent?

As government we believe in the importance of providing easy access for all Canadians regardless of where they live. I cannot understand why the member for Yellowhead would introduce a motion that could deny postal services to his own constituents.

Canada Post is improving services to Canadians. In the past five years Canada Post Corporation has increased by nearly 30 per cent the number of locations where stamps, postal products and postal services can be purchased. The crown corporation has a network of over 2,500 franchise outlets across the country. When we walk into our local drug store or convenience store, chances are we can purchase postal products at one of these outlets. These outlets attract customers to these locations which means increased commerce. It is good for business and good business helps our economy.

By building on these partnerships with local businesses, Canada Post is expanding the accessibility of postal services without incurring large expenditures. This is part of Canada Post's drive to ensure convenient access to postal services for Canadians.

• (1115)

I also point out to the hon. member that independent surveys done by Decima and Anderson Strategic Research show that customer satisfaction with these outlets is well over 90 per cent.

Canada Post's diversity is evident and it is demonstrated in how it operates throughout the country. Take for example Atlantic Canada. In Atlantic Canada, Canada Post is a 200–year old federal institution which has helped to build and maintain the region. Atlantic Canada is predominantly rural and has the largest number of small post offices in the country. Among them is Canada Post's first post office which is located in Halifax.

Throughout the region there are approximately 2,300 locations to buy postal products.

The post office is not just a place to buy stamps. It is a place to interact with other people, to establish the links which make a community and build a country. I live across the street from the post office in Canning, Nova Scotia and I see the traffic. I hear the conversations. I see the relationships which are made. I see the transactions people make. I talk to those people. It is the hub of our community.

For millions of Canadians the post office has been a connection point and an important part of our culture. Hon. members will remember that in February 1994 there was talk of further closures of rural and small town post offices. During that debate I talked and met with postal officials and many concerned citizens in my riding of Annapolis Valley—Hants and the message was clear: Do not close down the post offices. I brought that message back to Ottawa.

On February 17, 1994 in the House I urged the government to demonstrate its commitment to rural Canadians to ensure that these post offices remained open. The minister listened to these concerns and to the concerns expressed by Canadians from coast to coast to coast. As we know, he placed a moratorium on closures and conversions of rural and small town post offices. In announcing the moratorium the minister said: "As long as this government is in power, no rural or small town post office will be closed".

I remind the hon. member that in his riding the towns of Whitecourt, Grande Cache, Hinton, Edson and Jasper are all covered by the Liberal moratorium on post office closures.

If Canada Post were to be privatized, would the private company keep all of these small post offices open? Even courier companies are closing down shop in small towns. If these companies close down, who is left? Who will deliver the parcels to rural areas once the hon. member has privatized Canada Post? That is why Canada Post is a necessary national institution.

The hon. member must take into account that 20 per cent of Alberta and 23 per cent of Canada is rural. With privatization there is a real danger that rural Canadians will be forgotten.

People in the town of Evansburg in the hon. member's riding held a meeting and asked the government not to close down their postal outlet. The government is listening. Canada Post under this government will not abandon rural Canadians.

While the motion talks of privatization, I wonder what kind of service Canadians living in the northern regions would receive under this scenario. In all likelihood the answer is nil.

Canada Post has had a profound impact on the north. Since its formation in 1989 the northern services division has been responsible for maintenance and improvements to postal operations in northern Canada.

• (1120)

Ongoing training programs have allowed northern services to work toward the gradual turnover of operations and management to indigenous residents of the area. The area administered includes Yukon, Northwest Territories, communities in northern Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and all of Labrador. This division represents 72 per cent of Canada's land mass and a diverse population of 221,000 people.

The geographic location, the climate conditions, the low population density and the remoteness of population centres create operational challenges and some difficulties in mail delivery and communication with residents. To overcome these difficulties, the corporation has adopted its network policies and procedures to meet the specific needs of the north.

It is clearly evident that Canada Post helps to promote and maintain this region of our vast country. Canada Post must remain a crown corporation because there is a need to provide consistent services to Canadians while being fiscally responsible. This means servicing all areas of the country, even those which are less profitable, and serving them well.

That is why the Canada Post Corporation was established as a crown corporation on October 16, 1981 out of what was then a government department. I remind all members of the House that the Canada Post Corporation Act was supported by all three parties in the House of Commons. It was welcomed by organized labour, business and consumer groups.

The Canada Post Corporation was established as a crown corporation to provide purpose and direction and to bring business values to the operation of postal services in Canada. Why should this government now take a successful corporation and privatize it? I believe that over the years Canada Post has made progress. However, I also believe we still have a lot of work to do.

I am pleased to see that our government is conducting a mandate review of Canada Post. It has been 15 years since the corporation was established and 10 years since the Marchment report, the last major review of Canada Post's mandate. It is therefore necessary to examine the current situation against the original intent. It provides a valuable opportunity to revisit corporate direction.

Canada Post is a national institution and we are proud of it. Canada Post has achieved many accomplishments. Canada Post is a viable crown corporation and it provides an essential public service.

I cannot support the motion before the House because I believe it would bring an end to universal access to postal services. This in turn would negatively affect the very communities I have been elected to serve.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, thank you for giving me the opportunity to speak to this private member's motion this morning.

As we know, the role of Canada Post will be reviewed by a committee recently set up by the minister; my remarks are therefore subject to this committee's proceedings and subsequent report.

If I understand correctly, today's motion calls for privatizing Canada Post. In principle, since this is a private member's motion, I will speak first on my own behalf and not on behalf of the Bloc. Of course, I myself am not opposed in principle to privatizing government controlled businesses. In principle, one should not be against this. Even the present federal government cannot come out against any kind of privatization, since it has just privatized CN. It is easy to see that this privatization may eliminate some rural services and that this is not necessarily a good thing for people across Canada.

• (1125)

But they may have done the right thing by privatizing CN, especially because of the competition with CP. As for Canada Post, it is indeed a monopoly, which raises questions on the risks of privatizing such a large monopoly.

We already know about the numerous problems with Canada Post. The Canadian Union of Postal Workers has exposed many cases of waste and inefficiency, accusing Canada Post of misusing its money and running considerable deficits from one year to the next because of this. There have also been complaints from private firms, including courier service and mail advertising companies, which deliver information packages from door to door.

I have reviewed this matter quite thoroughly, since industry representatives have complained to me personally that Canada Post unfairly competes with private sector companies. This is something of an outrage because, if I understand correctly, Canada Post can make a profit from its monopoly in first class mail delivery by charging 48 cents for every stamp. If we look only at the revenue from stamp sales and first class mail delivery, Canada Post makes a profit, but uses it to compete with businesses such as home delivery, courier service and mail advertising firms.

This is unfair and I am totally opposed to this kind of competition from the government, whether we are dealing with the postal service or the engineering sector. Canada Post comes under the responsibility of the public works minister, and we will soon have an opportunity, perhaps even this afternoon, to debate Bill C–52, which testifies once again to the government's tendency to compete unfairly with the private sector.

For a government that wants to encourage private enterprise and put in place legislation to promote job creation, this is totally unacceptable. In the case of Canada Post, this is blatant. It is inevitable. Last year, Canada Post's deficit was approximately $70 million, if I am not mistaken, and, before that, I think it was $280 million. But these deficits can be attributed, to some extent, to the fact that Canada Post is spending money it makes as a monopoly to compete with the private sector for courier services and direct mail advertising.

Canada Post's services are not competitive. It is in fact digging in the public purse, because, as a crown corporation, Canada Post belongs to all of us. It belongs to all Canadians and uses its revenues from mail delivery to compete with the private sector. It is obviously unacceptable and, at the very least, Canada Post's mandate should be reviewed to ensure that, if Canada Post maintains its monopoly on first class mail delivery, it should not compete with the private sector, at least not any more.

• (1130)

That is for sure.

But I am not sure how effective it would be to privatize Canada Post and limit, say, its role to first class mail delivery. I wonder because, as I said earlier, Canada Post turns a profit only on first class mail delivery. So, why do that if the service is there and is adequate, or at least cost effective, although there may still be room for improvement within the organization. As I said earlier, according to labour, postal workers, inside staff and others, service delivery could be improved, but there does not seem to be any net benefit in privatizing Canada Post.

But again, it all depends on how Canada Post's mandate review will be conducted. Perhaps, over the next few months, moving away from a monopoly, service delivery could be broadened, in the sense that several private companies could provide the service.

However, there are many instances where, when we try too hard to liberalize certain sectors, ordinary people end up footing the bill. For example, the government's decision to end Bell Canada's monopoly resulted in a significant increase in the costs of telephone services. The same thing also happened in the transport sector and in several other sectors.

Sometimes, the liberalization process is taken too far and is detrimental to public interest. Since consumers have to pay more, we must ask ourselves this question: If we privatize Canada Post so that a number of companies can offer services currently provided exclusively by the corporation, does it mean that, instead of paying 48 cents for the delivery of a first class

letter, consumers will have to shell out 75 cents? If this is the case, I do not see how such a change would be beneficial. It would create an excess in the other way.

So far, the government has not used adequate judgment to restrict the mandate of Canada Post and ensure that the corporation does not compete unfairly with private businesses in the delivery of mailings, or even as regards courier services. This an abuse of power and an aberration. It is unacceptable. It may even be immoral. However, it would be just as bad to go to the other extreme, liberalize all the services provided by Canada Post, and trigger a substantial cost increase in the delivery of a first class letter for ordinary Canadians. That could be an excess of another kind.

As a matter of principle, we cannot oppose the privatization of crown corporations. The government has already shown that it was open to privatization. However, a balance must be sought regarding the mandate of Canada Post. Hopefully, once that mandate is reviewed by the minister's committee, balanced recommendations can be made taking into account the interests of all Canadians.

• (1135)

[*English*]

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, the motion now before the House proposing the privatization of the post office can be based on myth only, and we on this side of the House prefer to deal with the facts.

The mover of the motion presumes that Canada Post is an inefficient, money losing organization and a drain on the Canadian taxpayer. In fact, Canada Post has achieved a considerable turnaround in its operations and finances. It is self–sufficient and since 1988 no longer receives appropriations from government.

The mover of the motion presumes that Canada Post is an inefficient organization that did not adapt to the realities of the marketplace. Wrong again. In fact, Canada Post has been improving continuously since becoming a crown corporation, with efficiency gains in all aspects of its operations.

It is most important to note the current mandate review, which the minister responsible for Canada Post announced on November 6 of this year. It has been 10 years since the last major review of Canada Post. This review will give Canadians a chance to express their concerns about the corporation.

The review committee will also be analysing the current competitive environment of the corporation. The communications market has changed dramatically since the Marchment report, and it is time to review the effects on the corporation.

The mandate review will also review the functions that Canada Post currently carries out and those that should be provided in the future. In this regard, I want to deal with the allegations of cross–subsidization, which we have heard from couriers and others and most recently from the hon. member for Québec–Est.

Let me emphasize that Canada Post Corporation competes fairly. It does not subsidize its services. These allegations have been reviewed by both the Bureau of Competition Policy and the National Transportation Agency. The Bureau of Competition Policy examined concerns with regard to cross–subsidization of Canada Post ad mail services with profits from letter mail and alleged predatory pricing. The bureau cleared Canada Post of the allegations in 1994.

The year before that, in 1993, along with the National Transportation Agency the bureau also reviewed the corporation's acquisition of 75 per cent of Purolator courier and the issues of unfair competition and cross–subsidization as they would relate to that purchase. The bureau found "no grounds to believe that cross–subsidization would occur post–merger".

The hon. member putting forward the motion is not aware of the many other changes taking place at Canada Post. Canada Post knows technological innovation. In a world economy driven by ever changing business partnerships and alliances, technological innovation and convergence, there remains the crucial need for a reliable, efficient, dedicated postal administration.

Canadians want a faster, more reliable, and lower cost postal administration. Throughout its history Canada has always been quick to embrace these demands. Canada Post has worked hard to meet its mandate to provide service to every Canadian.

Between 1992 and 1994, pieces of mail processed per hour increased by 64 per cent. Delivery points per hour increased by 30 per cent. All this was accomplished with a workforce that was reduced by 24 per cent. These are the facts, something the Reform Party does not seem to be acquainted with.

Since incorporation there have been many innovations Canada Post can be very proud of, such as the national control centre, which allows end to end monitoring of performance. The first system for tracking and tracing also has been developed. This system accurately pinpoints the progress of your mail. The corporation has also developed a new technology for hybrid services, which can electronically send your document, print it, and have it mailed. This is available to all Canadians.

Would a private corporation offer this accessible service to all—I underline all—Canadians? This is something the opposition has not considered.

Good service means accessibility to retail services. In the mid–1980s Canada Post decided to experiment with franchising of postal outlets. This partnership with the private sector has resulted in an increased network of outlets where Canada Post products and services are available.

• (1140)

The Canada Post retail network currently consists of nearly 8,000 full service outlets, 4,150 corporate outlets, and more than 3,400 private sector outlets, supplemented by 11,000 stamp shops and agencies. Hours of access to postal products has increased substantially, while the cost of operations has been reduced. These outlets had a combined earned retail revenue in 1994–95 of $1.8 billion.

The franchising of retail postal services provides key solutions to four critical problems that were faced by Canada Post: how to obtain necessary capital; how to restructure and expand the retail customer service network; how to move quickly to a customer focused workforce; and how to reduce the high cost of a corporate retail network.

The franchising of postal services brought benefits to not only Canada Post but, more important, to Canadians, rural and urban. Franchising has nearly doubled the size of the postal network, offering consumers over 3,000 additional service centres across Canada. Canada Post's franchising and retail postal service has been a success. It is evident that Canada Post is constantly improving and adapting. Why should that be changed?

Canada has entered a new electronic era. Should Canada Post be involved in this electronic era? In the government's upcoming mandate review one of the terms of reference is whether CPC should be free to react to advances in technological alternatives to mail. If so, what would be the implications for the users, namely the government, the public and CPC competitors? This should make the opposition happy. We look forward to hearing the results.

The future contribution of postal administration in the new electronic environment will be contingent on the answers to some very basic questions. What is and will be the role for a postal administration as a public service? Is there a role for a postal administration as an electronics intermediary and as a provider of security services in electronic messaging? Can letter mail be delivered still faster and more cheaply? How much commercial freedom should a postal administration have?

The volume of physical mail in Canada is still marginally increasing from year to year. However, it will significantly decrease as electronic messaging takes hold. Over time, the labour intensive infrastructure required to process physical mail will be transformed to handle more electronic messaging. The transformation from hard copy to electronic will take time, however, more than most people predict, and for good reason. There is a multimillion dollar investment in the interlink physical mail infrastructures of Canada Post and its customers, and it will take an enormous investment to go completely electronic.

The immediate future is a bridge the corporation calls hybrid, which allows messages to be submitted to CPC electronically, travel electronically to the closest point of delivery, then be printed and delivered in hard copy. It is in this area that CPC's new electronic services are concentrated. It is the belief of many that a hybrid environment will be with us for a very long time.

Canada Post's concentration on hybrid services is allowing it to greatly increase its efficiency. Expansion of these services is vital to its customers, not only to contain or reduce costs but to allow the transaction of business effectively in a global marketplace using electronic data interchange, EDI, and hybrid data interchange, HDI. This obvious change in the face of technology has allowed Canada Post to remain competitive. Canada Post is doing much more than perhaps the hon. member is aware.

Business and governments need to share information with their clients in the form of documents or reports. Maintaining physical copies of documents and distributing them is costly, environmentally damaging and does not add value to the economy. Working further to reduce costs and speed up delivery, CPC has developed a service that stores documents and delivers them through a 1–800 telephone line. The documents can be delivered by fax, E–mail or regular mail. This service reduces business costs, speeds delivery of information and avoids environmental impacts of printing and storing an abundance of physical documents.

• (1145)

Canada Post presently has a physical directory of all addresses in Canada which it must maintain to deliver mail, including postal codes for efficient mail sorting. It is extending this directory to include electronic addresses and other information which Canadian businesses and governments can access for effective communication in the medium of the receiver's choice.

This will take the form of hard copy, telephone, fax, computer, E–mail, telex and even interactive television in the future. The directory will reduce the cost of doing business, improve the speed of messaging and enable a sender to reach the receiver regardless of technological—

The Deputy Speaker: I am sorry to interrupt but the member's time has expired.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, it is a pleasure to rise to speak today on Motion No. 312 tabled by the member for Yellowhead which states:

That, in the opinion of this House, the government should immediately take the required measures to privatize all operations and services of the Canada Post Corporation.

The finance minister stated in the last budget speech: "Our view is straightforward. If the government doesn't need to run something it shouldn't and in the future it won't".

Motion No. 312 allows the government the opportunity to make good on this straightforward point of view. When it comes right down to analysing where the government should be involved, Canada Post does not rank as a priority.

This is an organization that in the view of Professor Robert Campbell of Trent University has been "given a considerable amount of space in which to function like a private commercial operation and has acted very much like a private sector corporation". Canada Post has therefore illustrated that it is capable of providing its existing services as a private sector corporation.

Traditionally the main argument against the privatization of Canada Post is that people see it as the communications link for rural areas. This claim is now false. If Canada Post is so committed to rural service, why has it either closed or amalgamated 1,700 of its rural post offices? The simple answer to the question is that Canada Post is behaving like a private corporation. If it were privatized and industry as a whole were permitted more market freedom, people in rural areas would have greater access to more and more delivery companies. Many companies would jump at the opportunity to provide full postal services in rural areas.

Another weak argument offered against privatization is that Canada Post does not receive any federal money for its operations. This claim has an element of truth in it. Every year Canada Post aims to balance its books and it has been successful in three of the last five years in doing so. However the two years that losses were recorded added up to just under $400 million in losses and these losses were absorbed by the taxpayers.

I find the idea of privatizing Canada Post a compelling one. Canadians should no longer be asked to bear the burden of subsidizing an organization that could operate just as effectively or more efficiently if it were in the private sector. Best of all, if this were the case, taxpayers would not be shouldering the costs when Canada Post records financial losses. These financial losses continue despite the fact that Canada Post has invested enormously in becoming more efficient and more diverse.

I was surprised when I learned that Canada Post owns 75 per cent of the courier company Purolator. I was even more surprised when I read repeated claims by competitors in the courier industry about Canada Post. The competitors claim that Canada Post is using revenue generated from ordinary mail to subsidize its courier company. It is claimed that this allows Purolator courier to offer rates that are lower than private sector rates and gives the Canada Post–Purolator team an unfair advantage.

• (1150)

The president of the Canadian Courier Association recently claimed: "There is not a courier in the world who would offer that kind of service at that price. Who is paying for that cost? You are if you bought a stamp".

Canada Post's competitors claim that if Canada Post is to have an unfair advantage then its entire financial record should be made public. This would mean that Canada Post should present not only its budgetary figures but also how much money is being transferred to Purolator. I find the request to be entirely reasonable. If taxpayers are subsidizing Purolator they have a right to know the exact nature of the financial arrangement these two companies share.

Canada Post is an enigma, especially to the corporate world. On one hand it operates as a crown corporation with a mandate to provide universal postal service to all Canadians. On the other hand it operates as a ruthless competitor expanding into the courier industry while possessing a legislative monopoly on first class mail. In other words Canada Post enjoys all the benefits and security of a crown corporation with government protection and government backing while it conducts itself as though it were a private sector organization.

Canada Post should no longer enjoy this advantage. It should have it one way or the other. A spokesman for the United Parcel Service, UPS, recently said: "We are not seeking the abolishment of the post office. Our goal is that the playing field should be levelled".

Another area that competitors claim is not on a level playing field is the business of delivering unaddressed mail, advertising flyers or junk mail. When Canada Post created its so–called ad mail program to distribute third class mail, it knocked many small distributors right out of the industry. The ones that are left face an unfair advantage.

By Canada Post's own estimates, the number of delivered flyers jumped from 1.8 billion pieces in 1987 to 4.4 billion in 1994. This represents an increase of 144 per cent. This would not be all bad except Canada Post only reported a 63 per cent increase in revenue from this service.

Ottawa *Citizen* columnist Peter Hadekel recently commented: "Canada Post's own numbers show that its cost per thousand flyers delivered fell 33 per cent, a clear indication it has been cutting prices to build volume". Once again Canada Post is using this diversity within the protection of a crown corporation to create a monopoly in another area. Taxpayers have the right to know how the financial structure of Canada Post works and how it is using this advantage unfairly.

Despite the closure of over 1,000 rural area post offices Canada Post is the largest franchise chain in Canada. It is the 28th largest corporation in the nation. It has the potential to grow even stronger. Canada Post would have no problem finding investors and would, if privatized, be able to provide the same service it does now, and perhaps more efficiently in the competition of the open market.

In many ways Canada Post already operates as a private organization. It rented a $200,000 private sky box in Toronto's SkyDome. It may be an acceptable practice in the corporate world, but during a time when the government is trying to reduce expenditures and debt it is absolutely unreasonable for a crown corporation. I do not feel comfortable telling the people of my riding of Cariboo—Chilcotin that we must make sacrifices to reduce the debt while Canada Post executives have this kind of government guaranteed luxury at all Blue Jay games.

If privatized Canada Post would do fine on its own and Canadians would still enjoy good postal service by whoever provides it.

• (1155)

Next August Parliament will see the results of a major review that has recently been ordered. It is my hope that it will not be just a cosmetic review to appease the concerns of Canada Post competitors. The editor of the St. Albert *Gazette* near Edmonton recently stated: "Are they going to be able to dig into Canada Post's affairs or will they be stonewalled like everyone else before them? Canada Post likes to keep business to itself".

The time has come for Parliament to recognize that Canada Post can do well as a private corporation and that it needs a more level playing field in the postal industry for the benefit of all Canadians. As I have said, Canada Post likes to keep business to itself. As a private corporation Canada Post can still freely keep to itself but only if it can beat the competition.

I ask members to support the motion and to realize this is a start in the most logical direction.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, we know we are in trouble when we see Liberals defending Canada Post. In the few minutes remaining I should like to deal with the mandate of Canada Post. Its mandate should be to deliver letters efficiently and cost effectively. That is the bottom line. Why it is in the courier business is a bit of a conundrum because it is using the postal rates to justify and undercut private courier businesses.

I must commend the government for its timely and upcoming review of Canada Post. However once we have the review I would then hold the government accountable to looking into the review and making some major changes such as changes in access to information.

Crown corporations are presently exempt from access to information requests. As such Canada Post is exempt. We cannot get an access to information request from Canada Post because it is exempt, as are other crown corporations. This is basically wrong. How are Canadians supposed to find out and figure out what is wrong with their crown corporations including Canada Post when they cannot get the basic information?

An hon. member: It is taxpayers' money.

Mr. Gilmour: It is taxpayers' money, as my colleague says. Why can we not see the records?

I support my colleague's move to privatize Canada Post. I look forward to the review to see which direction the country will go with its postal system and hold the government accountable for listening to what Canadians say.

The Deputy Speaker: There are a few minutes remaining in the debate. If the proposer of the motion, the hon member for Yellowhead, wishes to summarize he is allowed to do so under our standing orders.

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, I thank my colleagues for supporting the motion. I urge the government to look carefully at it and in its review come forward with some of its suggestions and recommendations.

The Deputy Speaker: Shall we call it 12 o'clock?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: The time provided for consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

• (1200)

[*Translation*]

NATIONAL HOUSING ACT

The House proceeded to the consideration of Bill C–108, an act to amend the National Housing Act, as reported (without amendment) from the committee.

Hon. Fernand Robichaud (for the Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.) moved that the bill be concurred in at the report stage.

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.

And the bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)(a), I have been requested by the chief government whip and the chief opposition whip to defer the division until a later time.

Accordingly, pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until tomorrow after government orders, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

[*English*]

BANK ACT

The House resumed from November 24, 1995 consideration of the motion that Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions, be read the second time and referred to a committee.

Mr. Jordan: Mr. Speaker, I move that we suspend the House for 10 minutes.

[*Translation*]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

The Deputy Speaker: There is not unanimous consent. The hon. member for Erie has the floor from the last time. He has 15 minutes remaining for debate, if he wishes to take advantage of having the floor.

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I have a few remarks to wind up my address to the House.

Bill C–100 takes important steps to ensure that Canada's financial institutions enjoy effective, independent corporate government yet allows OSFI to intervene in the composition of senior management and boards when the institution is experiencing financial difficulty. Clearly it is often when institutions encounter financial trouble that management and boards need to be carefully scrutinized.

The current minimum one–third of unaffiliated or independent directors sitting on the board of a financial institution will no longer be permitted to hold a seat on the board of their unregulated parent. This will help ensure that there are directors of institutions who will focus on the institutions' interests alone. This measure will be particularly important for ensuring independence and objectivity in the management of institutions in trouble.

For institutions that are in trouble, the legislation will empower the superintendent to veto the appointment of directors and senior officers of that institution. This is a very limited provision as it applies only at the appointment stage and only when the institution is in financial trouble.

Incidentally, a similar authority exists in the United States. It is an important power since the institution in trouble needs to rely on its board to make important decisions about the future of the company.

My remarks so far have focused on the measures to give OSFI further power to enhance the quality of corporate governance. It is also important to note that this legislation recognizes that effective corporate governance is not just one–sided.

We should appreciate that Bill C–100 includes measures that will help boards perform the all important function of overseeing management. An example is the guidelines for supervisory interventions that are being set out. These guidelines identify four stages of increasing intervention available to the superintendent, culminating in the power to close an institution.

By knowing what stage their company is in and the penalties involved, directors will have both a tracking measure and a set–up to guide their dealings with management.

As well, the legislation includes providing the Canadian Deposit Insurance Corporation, CDIC, with the authority to apply varying deposit insurance premiums based on risk factors. This too will act as a source of information for directors who will be free to inquire why their institution may be paying more than the base rate.

• (1205)

I have covered a fair amount of ground. I will close by putting the legislation into context as I see it.

Bill C–100 is being put forward for the continuing success of a supervisory and regulatory system which must evolve with market trends and respond to current experience both here and in the rest of the world. The thrust of the legislation clearly is safety and soundness. These improvements in safety and soundness build on the recent Canadian experience with financial institutions that have failed.

By giving our approval to Bill C–100, we will be honouring a responsibility to help maintain what is truly a world class financial system. This is a goal we can all support irrespective of partisan politics. I urge all members of the House of Commons to support Bill C–100.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is a pleasure to enter the debate on Bill C–100. This bill is designed to bring about certain changes and make some amendments to the Trust Companies Act, the Interest Act and so on. I want to address this in the context of what is happening in the financial world in Canada today.

About 10 years ago legislation was passed in the House which actually eliminated the four pillars of Canada's financial institutions. I will review briefly what that was all about. We know that the four pillars which existed were the banks, the trust companies, the insurance companies and the investment companies, or investment dealers as they are more commonly known today.

The provisions in the past were that the banks took deposits, made loans and had financial interaction with their customers. The ownership of the banks was restricted to 10 per cent. No one person or group could own more than 10 per cent of a bank.

The trust companies were another pillar. They were allowed to hold property in trust for others. They could hold shares, bonds and real estate. Often they exercised the prerogative and in fact did take the fiduciary responsibility to manage the portfolios of individuals, particularly widows, children, orphans, and other people who did not want to look after their own portfolios. It restricted very much the kinds of things the trust companies could do. For example, the trust companies could not lend out more money than they actually had on deposit. They also were limited in the kinds of loans they could give. For instance, they were excluded for many years from lending out under the Small Business Loans Act.

The insurance companies, the third pillar, were divided into two sections: the life insurance section, and the property and casualty section. The life insurance companies were there to provide life insurance policies and annuities for people who wanted payment in perpetuity. The property and casualty insurance companies dealt with the liabilities that might be incurred toward individuals. They also insured the physical properties, buildings in most cases and vehicles and other equipment.

The fourth pillar was the investment companies. The investment companies were the underwriters of equity shares. They also helped to distribute those particular shares once they were issued. They also underwrote debentures and limited partnerships and made a market for these particular securities. They acted nationally and internationally so that individuals who wanted to sell shares internationally could do that.

In 1987 these pillars came apart. They were changed. The legislation allowed the banks to own trust companies, the banks to own insurance companies and the banks to own investment dealers. The independence which was guaranteed before was now amalgamated under one piece of legislation. The insurance companies also took advantage of those changes. They bought trust companies and in some cases the established banks. They also got into the mutual fund distribution business.

• (1210)

Why did it happen? It happened because the insurance companies and banks are the two big giants in the financial institutions. They command the largest proportion of the money that is managed in our financial world. The banks wanted access to the huge funds of money the insurance companies had and of course the insurance companies wanted to keep them out.

There was a real conflict going on at that time. The insurance companies finally agreed to let the banks buy insurance companies. That made it possible for the banks to actually own an insurance company, but they could not distribute the insurance through their branches.

Actually, the very thing the insurance companies wanted to prevent they ended up not preventing. Now the only difference is the bank cannot really distribute it through their branch network. I will talk about that in more detail later.

I will briefly focus on the concentration of the financial interests that has come into an increasingly small group. Fewer and fewer companies actually manage more and more of the financial assets in Canada. That is really what has happened here. I want to bring this into a more detailed focus as I get toward the end of my speech.

The policy paper was presented by the Secretary of State for Financial Institutions when he appeared before the Senate committee in August. He said he intended to release a policy paper sometime early in 1996 which would deal with these four financial institutions under the Trust Companies Act, the Loans Act, the Investment Companies Act and the Bank Act.

The secretary of state wants to release that in the early part of 1996. That policy paper would then be followed by further consultation before we table legislation for passage early in 1997 which has to do with a total review of the Financial Institutions Act. He said: "I want to act now on the issues included in Bill C–100 because the legislation enhances the safety and soundness of the system. When steps can be taken to improve on it to diminish risk, I believe it is important to get on with those changes right away".

It is pretty hard to argue against that, except that we are now at the end of November. This statement was made in August. The bill is before the House. In the early part of 1996 there is to be

this policy paper, yet we have something that is supposed to be acted on right now.

I warn the secretary of state and the government that to make the kinds of changes that are being proposed in this legislation will affect other legislation. I am convinced it will affect the overall review that will take place in 1997.

What is the big hurry now? We are not even seven weeks away from 1996 and we are faced with supposedly some kind of an emergency. I submit there is no emergency. There is no urgency to get this done right now.

Some people will say that this is actually to come to grips with a big problem we had last year when Confederation Life went down. What is really involved here is that this is a very subtle way to get us ready for that continued erosion of the distinction between the financial pillars. It will have the effect of drawing more and more power into the hands of fewer and fewer financial institutions, namely the banks.

I will get into the Confederation Life matter in greater detail because it is this concentration of power that creates some difficulties. For example, the Confederation Life people bought trust companies and through that trust company they developed what would easily be characterized as an imprudent portfolio. It was imprudent from the point of view that it was overextended in a particular sector.

My understanding is that the former Superintendent of Financial Institutions did tell the Standing Committee on Industry that he had warned that particular institution that it was over extended in the real estate market. But what did he do? Nothing. What did the company do? Nothing.

• (1215)

Some people would argue it is more poor management than an imprudent portfolio. Imprudent portfolio, poor management, whatever the case, the issue is there was legislative provision that allowed a concentration and overextension that was never the intention of the original legislation but nevertheless was the effect of it. That is precisely the danger we are running into here.

Suppose one of our chartered banks today were to go down. Imagine the implications that would have across the country. Within that context let us now look at the provisions in Bill C–100. In particular, I want to look at the Office of the Superintendent of Financial Institutions.

In this context I would refer to exactly what the purpose of the bill is. It is to amend the Bank Act, the Co–operative Credit Associations Act, the Insurance Act, and the Trust and Loan Companies Act, dealing with the disclosure of information, the elimination of appeals in relation to certain matters, the disqualification of persons from becoming office holders of an institution, the taking of control of an institution by the Superintendent of Financial Institutions, and changes to the duties of the superintendent.

Then there are amendments to the winding–up act respecting the circumstances and procedures for winding up an institution and the revised part III dealing with the restructuring of insurance companies and amendments to the Canada Deposit Insurance Corporation Act concerning the business affairs of the corporation, the restructuring of the institutions by means of divesting of shares and the corporation becoming a receiver, the assessment and collection of deposit insurance premiums, and the enforcement of the act.

What are some of these details? I refer to clause 81:

(2) The Governor in Council may make regulations and the Superintendent may make guidelines respecting the maintenance by life companies and societies of adequate capital—

Okay, let us keep that in mind.

(3) Notwithstanding that a life company or society is complying with regulations or guidelines made under subsection (2), the Superintendent may, by order, direct the company or society

(a) to increase its capital; or

(b) to provide additional liquidity in such forms and amounts as the Superintendent may require.

Does anybody need any more authority than that to run a company? The whole company could be run with those two phrases.

Then the bill goes on to state:

The Governor in Council may make regulations and the Superintendent may make guidelines respecting the maintenance by property and casualty companies of assets of a particular value.

This is again a direct imposition. In fact the Superintendent of Financial Institutions can get into the exact management now of the company itself:

Notwithstanding that a property and casualty company is complying with regulations or guidelines made under subsection (2), the Superintendent may, by order, direct the company to increase its assets.

Furthermore:

A company may then enter into a transaction with a related party of a company if the Superintendent, by order, has exempted the transaction from the provisions of section 521.

We want to put this into the context of clause 93, because we recognize how significant the powers of the superintendent are in determining the assets of a company, to increase its financial situation, to look at the ownership of property of the company. Now let us get a good view of what else happens here:

The Superintendent shall disclose, at such times and in such manner as the Minister may determine, such information obtained by the Superintendent under this Act as the Minister considers ought to be disclosed for the purposes of the analysis of the financial condition of a company, society, foreign company or provincial company—

Good, we will say, that is fine; there is nothing wrong with that. I agree. It goes on:

> —and that
>
> (a) is contained in returns filed pursuant to the Superintendent's financial regulatory reporting requirements in respect of companies, societies, foreign companies or provincial companies; or
>
> (b) has been obtained as a result of an industry–wide or sectoral survey conducted by the Superintendent in relation to an issue or circumstances that could have an impact on the financial condition of companies, societies, foreign companies or provincial companies.

• (1220)

Now comes the key part. We notice that the superintendent can do these things but subject to the minister's approval. The second clause states:

> The Minister shall consult with the Superintendent before making any determination under subsection (1).

What has happened here? We have the minister deciding in the first instance what the superintendent should do and what kinds of information can be collected, and then before he can have any discussions or make any public pronouncements he has to go back and consult with the superintendent before he can do that. Who is in charge here?

The person in charge here is the Superintendent of Financial Institutions. The Minister of Finance, who is to be looking after the financial affairs of this country on behalf of the people and who the Prime Minister has entrusted with this particular portfolio, is now having his hands virtually tied by the Superintendent of Financial Institutions, a bureaucrat who has been appointed by the minister.

These kinds of provisions are not for the health of this country.

I draw the attention of the House to the exact powers and objectives of the Office of the Superintendent of Financial Institutions. The objectives are to supervise financial institutions in order to determine whether they are in a sound financial condition and are complying with their governing statute law and supervisory requirements under that law; to promptly advise the management and board of directors of a financial institution in the event that the institution is not in sound financial condition or is not complying with its governing statute law or supervisory requirements under that law and in such a case to take or require the management or board to take the necessary corrective measures or series of measures to deal with the situation in an expeditious manner; and to promote the adoption of management and boards of directors of financial institutions of policies and procedures designed to control and manage risk.

That is good. A further objective is to monitor and evaluate system–wide or electoral events and issues that may have a negative impact on the financial condition of financial institutions. That is good. Further, in pursuing its objectives the office shall strive to protect the rights and interests of depositors, policy holders, and creditors of financial institutions, having due regard to the need to allow financial institutions to compete effectively and take reasonable risks. We would say that is just great, and I agree.

Notwithstanding that the regulations and supervision of financial institutions by the Office of the Superintendent of Financial Institutions can reduce the risk that financial institutions will fail, regulation and supervision must be carried out having regard for the fact that boards of directors are responsible for the management of financial institutions. Financial institutions carry on business in a competitive environment that necessitates the management of risk, and financial institutions can experience financial difficulties that can lead to their failure.

He is supposed to do all these wonderful things and then in the final analysis he is given the power to intervene, to get involved in the actual management of a company. Then in the final section it says that if things go wrong it is not his fault. I think the bureaucrat wrote this, because he is totally absolved on these things.

We are dealing with the trust and the faith that individuals have in financial institutions. I have no difficulty in recognizing that the Office of the Superintendent of Financial Institutions is a very important office. It has been given extensive powers. But in the final analysis, who is accountable?

• (1225)

We have to come to grips with this. We need to know all the secrets. In all the texts I read there is no obligation to make those kinds of things public. I want to get into the Canada Deposit Insurance Corporation, because it is here that it becomes even more significant.

The Canada Deposit Insurance Corporation guarantees the first $60,000 deposited in a financial institution that is covered under that particular act. This is a great provision, but I want to take a look at some of the experiences.

This particular corporation was set up in 1967. There were no bank failures prior to 1967. Since 1967 there have been 30 failures of financial institutions, 20 of them in the last 10 years. The CDIC has now paid out a total of about $5 billion and owes the federal treasury $1.7 billion as of March 1994. It may be a little more than that, about $1.745 billion if my memory serves me correctly.

The provisions of this act are very noble. People want to know that their deposits are insured. However, it has had some very interesting effects. Financial institutions did not fail before but have failed since. Why? There are pretty obvious things, but nobody can prove them. It reduces the incentive of a financial institution to look after the deposits up to $60,000. They can be reckless or risky because that money is not going to come out of

their pockets. The first $60,000 will be paid by the Canada Deposit Insurance Corporation.

There is also no incentive on the part of the depositor to look around to find which of the financial institutions is the soundest. They look to see which institution is to pay the best return on their money after it is deposited. That becomes the issue, and not the soundness of the financial institution.

There are some interesting things that can be looked at here. The insurance premium the institution pays to the Canada Deposit Insurance Corporation should be commensurate with the risk incurred by placing these deposits in certain kinds of ways. The act does go that way up to a point. It states, for instance, that financial institutions will pay $5,000 as a base and after that I believe it is a fraction of a percentage, based on the total of the money that is on deposit. That is great, except that the minister, without telling anyone, has the right to reduce that rate.

The other part of this is that the rate the institution has to pay for its premium to be insured by this company is secret. This means that on the one hand we have the financial institution paying a premium that is somewhat commensurate with the risk involved, but the person who deposits does not know what it is. So he has no way of telling whether this financial institution is a sounder one than the other one.

I believe there are some very serious shortcomings in this act. If we really wanted to get serious about this act we should think about such a thing as a co–insurance plan of some kind. An individual who is depositing his money into a particular institution knows it is insured up to $60,000 but with a deductible. The individual will have the responsibility to put it with an institution that will insure his or her deposit for the full $60,000. If the Canada Deposit Insurance Corporation insures it for up to $58,000, the financial institution will give the other $2,000 with no penalty.

An institution could also state it is going to be paying 12 per cent on your deposit, CDIC covers a major part of it and it will cover part of it, but because this is going to be a high return you are eligible for a $1,000 or $2,000 deduction. So there is a co–insurance plan here, which will provide the incentive to the financial institution to manage the money well or to at least let the individual know where the risk is in that particular deposit.

• (1230)

Second, that individual will say: "If I am to get a higher rate of return from this institution, I also need to carry some of the risk". There has to be responsibility in those particular areas. There are major concerns about the proposed amendments to this legislation.

I want to move now to another part of the review of financial institutions which has to do with the concentration of power to which I alluded before. The four pillars have, to a large degree, been eroded. It is my suspicion that the review in 1997 will erode them even more.

I draw attention in particular to the big fight now being displayed in the newspapers, financial papers and other media between the insurance companies and the banks. The insurance companies are saying: "You are not going to sell our product through your network". The banks are saying: "If we can own the insurance company, we want the authority and the power to do that". The fight is on.

A lot of problems are associated with the concentration of power, one of which I want to detail. That has to do with conflict of interest. I am going to take my example not from the insurance area but from the investment business. The investment companies have the opportunity to underwrite shares for an issue. I will use as an example the privatization of CN Rail. This share issue is underwritten by a number of investment dealers. Who owns the investment dealers? The banks, with a few exceptions. They underwrite the issue. However, some people are going to borrow money to buy those shares. Who will lend them the money to buy those shares? The banks.

There is a projection that the investment dealers of Canada are going to have an extraordinary year. They will have great profits this year. Guess what the main contributing report was on "Canada AM" this morning. The privatization of CN Rail.

This is very interesting. It is a very cosy arrangement. A crown corporation is in the process of privatizing. The underwriters are investment dealers who are, to a large degree, owned by the banking community. The banking community will, through its subsidiaries, show a tremendous profit. The banks will earn approximately $5 billion this year and, as well, the investment dealers will realize a terrific return.

The banks are also saying they want to sell the insurance product because it will give them more money. Associated with that money comes a far more significant issue, of which I am most fearful, which is the concentration of power. When a few people can decide where the money is going to be applied and how it is going to be invested, that is too much power in the hands of too few people. That is my big concern.

Every effort should be made to balance this situation very carefully. We must not run into this situation without being very clear about the implications.

Comparisons will inevitably be made by the banking community. The banks will argue that they should have the service because to be competitive globally they have to be able to sell insurance. Let us look at this situation.

Approximately 2,000 banks operate in France, while in Germany there are 4,600 licensed banks. With such intense competition it is difficult for a European bank to cross–subsidize its entry into the insurance business. That situation cannot be compared to the one that exists in Canada. To use that argument is not only specious but misleading. We have to be very very careful not to get sucked into that kind of situation.

• (1235)

To suggest the banks are going to take control is rather easy to understand. In 1992 reforms gave the chartered banks unrestricted powers to own trust companies. A few years later, what portion of the trust business is now in the banks? Almost all of it. Less than three years after the 1992 financial institution reforms came into effect only two independent trust companies of any size remained in the business. The danger of banks cross–subsidizing their entry into other financial services is that it is provoking a reduction in competition for consumers.

Probably the most vicious argument is that all this entry into the marketing of insurance through the branch network is in the consumers' interests because they will have one stop shopping. That may be convenient, but will the consumer get the best advice? Will the consumer get the best price? Will the best interests of the consumer be served? That ought to be the consideration, not whether the consumer can do it all in one place. If the customer gets a bum deal in one place, it is a bum deal regardless of the fact that it was very convenient to do it in that place. That becomes our concern.

We need to make sure the power is balanced, that we have a separation so the people's best interests not only now, but in the long term, are looked after as well.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I thank the member for his contribution on a very important issue.

It is important for members of the House and the public to know that the critic for industry from the Reform Party has been working very hard in committee over the last two years on the whole issue of access to capital for small business men and women. The issue we are debating today is very important for that whole small business market.

We have been trying to the best of our ability in a non–partisan way to try to change the thought processes of the banks in their attitudes toward small business. Frankly, after two years despite a bunch of PR from the banks we have not accomplished a lot.

Does the member not fear or have concern that those million small business men and women out there who depend by and large on that relationship with their branch managers will once again lose leverage with their financial institution because once they take on the insurance component of a business relationship, that small business will have no other place to deal than with the bank? If that relationship is not solid then that small business man's or business woman's whole equation is in jeopardy.

Mr. Schmidt: Mr. Speaker, that is an excellent question. I would like to divide my answer into three parts.

The first part has to do with whether the businessman is going to feel coerced into buying the product the banker is shoving down his throat. The question then becomes is the bank in this instance acting as a broker for a variety of insurance companies or is it going to be presenting its own insurance company which it owns? Talk about a conflict of interest; there it is.

The second part concerns whether the individual gets the best possible premium rate. The individual, in order to get the loan through, will buy the insurance as well at the same time.

• (1240)

The third point is that recently the banking community had a study done on its branch network. It seems to me that both in the United States and here in Canada the conclusion was and the recommendation was to reduce the number of branches. That network, which is supposed to be this great fanning out, is actually going to go the other way.

I do not think that businessmen or individuals are going to be served as well as they are today.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, it is a pleasure to rise in debate on Bill C–100. I am going to bring something a little different to this debate. I take my hon. colleague's comments very much to heart. This debate has been well motivated by the very best spirit of Parliament to try to bring all kinds of light to a very important piece of legislation before the House.

I have listened very carefully to the debate. We are dealing with the Office of the Superintendent of Financial Institutions and the Canada Deposit Insurance Corporation. I will confine my remarks primarily to the Office of the Superintendent of Financial Institutions because this legislation is designed to enhance the protection of the assets of ordinary people. This is the kind of legislation that Parliament and the government should be all about. I believe it is exactly that.

People put their life savings into financial institutions which are regulated by the Government of Canada. We must at all costs ensure that their deposits are safe. This legislation builds on earlier legislation, primarily because we have seen some unfortunate incidents in the financial marketplace of late. I am thinking of the collapse of Confederation Life and the earlier difficulties with other institutions. Certainly the depositors and the investors in these organizations were paid back. Nevertheless, a question of confidence arose from these eventualities.

Bill C–100 is an effort to address this problem of confidence. In a nutshell the legislation gives a mandate to the Office of the Superintendent of Financial Institutions to investigate, along with various other things.

I am very interested in this legislation because it is a model for what can be done in other sectors. It is a model for what can be done in the not for profit sector.

It is well known that I am an MP who has shown a great deal of interest in the regulation of charities and non–profit organizations, which currently are very poorly regulated. They are controlled by a hodge–podge of legislation here and there, court precedents and that kind of thing. Yet the not for profit sector represents about $120 billion of revenue a year going in and out of these organizations.

On the other hand, deposits of around $600 million are covered by Bill C–100. We have comparable huge industries, one that is subject to very fine regulation now, one that does not have very much regulation.

I would like to go through Bill C–100 and put it up against what I would like to see happen with the not for profit sector.

First, Bill C–100 gives a mandate to the Office of the Superintendent of Financial Institutions. In effect, it lays out the rules. It says this organization can investigate and monitor all institutions that are in the business of taking deposits from ordinary citizens. We would like to see with the not for profit sector a charity commissioner with a similar mandate, which incidentally does not exist at this time.

• (1245)

Bill C–100 also adds something that is vitally important and very near and dear to my heart. It enhances disclosure. The public throughout Canada is demanding that institutions be more transparent than they have been hitherto. To give the Office of the Superintendent of Financial Institutions the ability to track what is happening in deposit organizations Bill C–100 requires a higher level of disclosure.

For example, it requires all deposit institutions to disclose their balance sheets in much more enhanced detail than is defined by regulation. It requires the disclosure of executive salaries. That is a favourite issue with me because executive compensation is not a matter of privacy when dealing with the public trust. It is a way of determining whether the executives of an organization who have the public trust are acting in the public's best interest. In other words one of the most instant signals of trouble with an institution is a very high executive salary and very low results on the balance sheets.

Bill C–100 requires an enhanced level of disclosure of the assets and liabilities of deposit taking institutions. Some of my colleagues feel that is an invasion of the central government into the affairs of an organization. Indeed it may be a provincial organization such as the caisses populaires in Quebec.

Nevertheless if we are to know what is happening we need the details. It requires an enhanced monitoring of assets and liabilities. I can compare that with non–profit organizations and say that it would be an enormous step forward if the public had access to the details of how non–profit organizations are spending their money and what are their assets. Presently no such regime exists for non–profit organizations. As such, for charities it is very restrictive in its level of public disclosure.

Bill C–100, however, would give all this to the public so that everyone could see what is happening, including the Superintendent of Financial Institutions. This is the most important.

Bill C–100 defines the role of the Superintendent of Financial Institutions as his office monitors deposit taking organizations. There is a whole schedule of warning bells. Certain things happen. Certain things appear on the books. The Superintendent of Financial Institutions will ask questions. If further problems occur the questions will be more probing. They will go deeper and deeper. There is a whole schedule of early warning levels for the Superintendent of Financial Institutions.

The organization knows the benchmarks at each level, the benchmarks going down as it gets into trouble. It knows what to expect, what it has to give, and what is expected of it by the Superintendent of Financial Institutions. Bill C–100 lays out very clearly what will happen when there is a crisis and what are the steps if an organization is deemed to be in significant trouble, for example if its liabilities exceed its assets or that kind of thing.

I can compare with charities and non–profit organizations and say that is precisely what we want with charities and non–profit organizations that also have the public trust and are in effect chartered by the government. They ought to be able to convince the public that they are using the money wisely and well.

When it is determined that a deposit taking organization is in a sorry state financially, the Office of the Superintendent of Financial Institutions can move in to take over. Basically it will dismember the organization or sell it.

• (1250)

We need the same for the not for profit sector. Right now if a charity is deemed to be in trouble it is a painful and difficult process to take it out of action no matter how extraordinary its failure is. In the case of not for profit organizations there is no real legislation to take them out of the picture at all if they have problems. We only find out about the problems when they get into such difficulty that it hits the news or if there is a criminal or

extraordinary charge. Otherwise secrecy is the order of the day with respect to charities and non–profit organizations.

Bill C–100 applies transparency and a whole regime of what to do when organizations that have the public trust get into trouble. There is a series of regulations to look after the problem. I wish the revenue minister and the finance minister would take note of the structure and effectiveness of Bill C–100.

One problem of the not for profit sector is that it has been unregulated for many years. The problem of bringing in legislation to control it seems insuperable. However Bill C–100 is the model that could be used to set up a charity commissioner or a not for profit commissioner who would bring the entire $120 billion sector under regulation and into transparency so that public confidence in charities and not for profit organizations could be restored.

My comments will be in another direction temporarily. I listened with great attention to the debate on the bill in the House last Friday. I was struck by the comments of Bloc Quebecois and Reform Party members who tend to be opposed to the bill. At one point the Liberal member for Willowdale stood and with great passion complained that the opposition to the bill of the Bloc Quebecois, and to some degree the Reform Party, was as a result of their separatist leanings.

I listened with great attention to what I heard from the Bloc and the Reform Party and I did not hear separatism so much as I heard provincialism. I heard from the Bloc Quebecois and the Reform Party about the fundamental problem with Confederation. There is always a tension between the federal government in the central power and the provincial powers. The provinces are always looking for more power and saying: "You are intruding into our affairs". This is a natural and normal aspect of Canada as we know it today. It is a pity that the Bloc Quebecois translates provincialism into separatism. Bill C–100 clearly illustrates why federalism works and why provincialism in this case should not be the order of the day.

I will explain myself. Certain aspects of our political life occur at a provincial or municipal level. At that level politicians are normally taken up by local needs, almost selfish needs. It is very difficult sometimes for local politicians to look at the grand scheme of things when they have local community and provincial concerns to look at. This was illustrated last week by a Reform Party motion dealing with the suggestion that the federal government should force municipalities to provide better sewage treatment rather than dumping effluent into the seas. It was a classic case of where it was easier for the municipality to use its taxes on things that matter to its people locally rather than to worry about the environmental aspects of a problem being caused to the country at large or the world at large.

• (1255)

So it is with financial institutions, with charities and non–profit organizations. The need for central regulation of charities and non–profit organizations is amply illustrated by the example of the Nanaimo Holding Society in British Columbia that is under investigation for suspicion of having diverted charity funds to the provincial NDP of British Columbia. Without commenting on where that investigation will go, it is the kind of reason we need arm's length regulation of public institutions with the public trust.

At the provincial level or the municipal level these organizations may be subject to undue political influence. If there is something like the Office of the Superintendent of Financial Institutions that can look from afar at an organization and be out of reach of local politicians we are better guaranteed that the public trust is being served by the organization. The warning will be sounded by an organization that has no axe to grind or has no involvement in the institution.

The classic example was during the recent referendum when it was claimed that the caisse populaire was supporting the Canadian dollar. We learned from the caisse subsequently that it was not doing any such thing. Nor should it. It is a classic reason for needing an organization like the Office of the Superintendent of Financial Institutions. If undue influence were exerted by the local political power, be it the province or the municipality, control would be in an arm's length organization that exists outside the zone of political interference.

Quebec and the caisse benefit from federalism because of an organization like the Office of the Superintendent of Financial Institutions. The benefit is even greater because all deposit taking organizations are dependent on the rest of the country for the confidence the public has in them.

Let us just suppose that every banking institution, every deposit taking institution were separately administered in each province, as I suspect has been suggested by the Reform Party. We would not have the level of confidence in the institutions that we have when people in Quebec or British Columbia, for example, know that the institution is subject to the same rules of transparency, openness and honesty across the country from sea to sea. It does not matter whether the organization is in Quebec or in Nova Scotia. Because we have organizations like the Office of the Superintendent of Financial Institutions, Canadians from sea to sea can have confidence in their institutions.

Bill C–100 deserves the support of the entire House regardless of our individual viewpoints on centralized government or decentralized government. This legislation serves us all regardless of our political viewpoints. It serves the ordinary person.

I should like to discuss the bill at great length but I know my time is up. It is the kind of legislation which makes federalism work and of which I am proud as a member of the government.

• (1300)

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I will take advantage of the opportunity afforded by the debate on Bill C–100 to draw the attention of this House to the inconsistencies and poor decision–making that undermine the very foundation of the federation.

I have had an opportunity during the past thirty years to observe, as many of us have, the evolution of Canadian federalism. A system based on certain relations between the federal government and the provinces, federalism has never been able to settle the issue of Quebec, Quebec which has the largest national minority in Canada. The Fathers of Confederation designed a system of government in which the provinces maintained a large measure of autonomy. In the twentieth century, two world wars, the emergence of the welfare state and the modernization of institutions as part of today's worldwide trend towards globalization gave the central government a chance to intervene increasingly in the administration of the provinces.

This normal development in a country whose geography was continental in size was never well received by the Quebec government which, for most French Canadians and later Quebecers, had always come first. Any attempt or decision made by the government in Ottawa to improve the way this country was governed has always been perceived by successive governments in Quebec as an encroachment on the prerogatives of the Quebec National Assembly.

The sovereignty–partnership proposal of Quebec sovereignists constitutes the only concrete and realistic initiative to get out of the vicious circle that has poisoned the existence of this beautiful and great country that is Canada. Yes, Canada is an exceptional country. Although the current state of its public finances has prevented it from developing its full potential, this is due to the legacy left by former Prime Minister Trudeau and to the inept financial management of the present Prime Minister, who was then Minister of Finance.

Under his stewardship, the deficit rose to $10.4 billion in 1977–78 and to $12.6 billion in 1978–79. For the first time, the annual deficit exceeded the 10 billion dollar mark, before spiralling completely out of control during the years that followed. In power, for far too long and instructed by English Canada to deal with the Quebec problem, Pierre Trudeau believed he could unite the country by wooing voters with wall to wall social programs. He temporarily reduced certain disparities which today reappear with a vengeance as a result of the debt left us by the former Prime Minister.

Yes, Canada is an exceptional country, and the only way to deal with the crisis in our public finances, with useless administrative overlap and internal constitutional bickering, is to create a new economic and political partnership between Quebec and Canada, with a sovereign Quebec engaging in continuing negotiations between two sovereign and equal states. Yes, Canada is an exceptional country, but as Quebecers, we want our own country.

We know Quebec will also be an exceptional country and will be Canada's premier global partner. Canada will be an even better country, once it has stopped the bickering and useless power struggles with a sovereign Quebec that will maintain special ties with Canada, based on equality and friendship.

Instead of supporting this view of relations between modern states, instead of supporting the proposals for renewal and change, which the Prime Minister promised us during the last days of the referendum campaign in Quebec, the government proposes Bill C–100 on financial institutions, after tabling C–76 in which Ottawa assumes the power to impose national standards on social programs. Ottawa made another attempt at centralization with Bill C–88, to implement the agreement on internal trade, an agreement that would allow the government to act as the ultimate arbiter in interprovincial disputes.

• (1305)

The federal government and Quebec are going to be at each other's throat over regional development. Under Bill C–91, Ottawa will also be able to sign agreements with local authorities directly, without regard for provincial governments or existing regional structures.

All these legislative efforts aimed at centralization and at building a modern country could be meaningful and have some implication, if Quebec's situation were settled once and for all. Canada could blithely carry on with its efforts at economic modernization and streamlining the administration of its structures, if Quebec's situation were settled through the sovereignty–partnership arrangement we sovereignists are proposing to Quebecers. Ottawa will always be too centralizing for most Quebecers, whereas the majority of Canadians believe, quite legitimately, honestly and proudly in a strong central government.

In the meantime, no attempt can really reform Canadian federalism without the resolution of the Quebec–Canada issue, through the emergence of a sovereign Quebec that would keep close ties with its Canadian partner.

Instead, the Liberal government is proposing Bill C–100, which simply fuels the flames of federal–provincial relations. Let us have a closer look at the implications of this bill for Quebec's financial institutions.

Bill C–100 is very clear. It enables the federal government to take action faster when a financial institution is in difficulty. It also aims to reduce the risks inherent in Canada's financial system.

Under clause 6 of Schedule I, which establishes a Canadian clearing system, the Governor of the Bank of Canada reserves the right to issue directives, not only to clearing houses but to financial institutions as well, regardless of their charter. So, for example, Bill C–100 would allow the Governor of the Bank of Canada to issue directives and orders to institutions that are institutions of Quebec essentially, such as: Fiducie Desjardins, the Fonds de solidarité des travailleurs du Québec or the Lévesque Beaubien Geoffrion brokerage firm, to name but a few.

The Superintendent of Financial Institutions and of the Winding–up Act will be given more powers and will be able to intervene directly with provincial charter institutions.

The increased options available to the federal Superintendent of Financial Institutions will mean costly duplication and inefficient management of savings. The Inspecteur général des institutions financières du Québec already monitors the situation in this regard so that the federal superintendent's new powers will simply duplicate those that already exist.

The federal superintendent's broader powers may prompt Ottawa and Quebec City to issue court challenges that will leave struggling financial institutions and their depositors in the lurch.

Bill C–100 shows that the federal government is more concerned about assuming new powers than about ensuring the viability of financial institutions and protecting savings.

Bill C–100 will make major changes to the deposit insurance system in Canada. To participate in the system, financial institutions now pay premiums based on the amount of deposits with them. The bill provides that the premiums will no longer be based on a financial institution's deposits, but on its level or degree of risk. This raises many questions. For example, what criteria will be used to determine a financial institution's risk rating? The federal government now refuses to make public the regulations that will set risk ratings.

What will be the impact of federal risk ratings on financial institutions? No one knows.

Basing premium amounts on risk levels may penalize Quebec financial institutions particularly because they are relatively small. Since large corporations are generally seen as less risky and since Quebec has its own deposit insurance scheme, in which premiums are not based on risk levels as such, we will end up with two systems: one based on risk and the other on deposit liabilities, with all the inconsistencies and contradictions that this entails.

• (1310)

Bill C–100 shows once again Ottawa's determination to centralize activities. By establishing Canada–wide clearing and settlement systems, this bill encroaches on powers exercised by the Quebec securities commission and the Quebec inspector general of financial institutions.

All this results in costly overlap. Financial institutions will be subject to two levels of control, a situation which will result in unnecessary administrative duplication.

As I already mentioned, in addition to Bill C–100, the government has tabled three other centralizing pieces of legislation since the last federal budget, namely Bill C–76, Bill C–88 and Bill C–91. The centralization exercise is continuing as strongly as ever.

A 1991 Treasury Board study showed that 67 per cent of federal programs overlap provincial ones. With Bill C–100, Ottawa keeps heading in the same direction, towards a dead end. According to Julien and Proulx, from the University of Montreal, close to 1,000 meetings take place every year between Ottawa and Quebec public servants, simply to harmonize program objectives, or to ensure that provincial and federal programs are not incompatible with one another. Bill C–100 will give all these public servants another opportunity to meet, simply to try to harmonize the criteria used to determine premiums paid by financial institutions.

Pierre Fortin, who is an economist, estimates that three billion dollars is wasted annually because of overlapping Quebec and federal programs. Such overlap results in unnecessary costs for taxpayers, businesses and citizens. These costs have an impact on the debt and, in the end, jeopardize institutions which were set up to support our country's blueprint for society. From that perspective, Bill C–100 is nothing but an ill–considered attempt by this government to centralize, under the pretence of protecting investors, when the system in Quebec works very well.

This bill is also an unacceptable intrusion into the securities industry, when the private sector and major business associations already complain about excessive government involvement. Such abusive interference always results in lower productivity and in a shortfall, this at a time when there is an urgent need to improve the sad state of public finances. Instead of withdrawing and concentrating on the essential, as it should, given its chronic state of indebtedness, the federal government is increasingly interfering in fields of provincial jurisdiction, as well as in the activities of our businesses.

In Quebec, the various governments which have been in office over the last 30 years have all strongly defended Quebec's jurisdiction over the securities industry. Even Daniel Johnson reaffirmed that position in February 1994, when he was Quebec's premier. The authority given to the Governor of the Bank of Canada to issue directives or orders to participants goes squarely against their traditional Quebec position, upheld even

by provincial Liberals, which is quite something. As in the case of manpower training, there is a strong consensus in Quebec regarding this issue.

Consequently, the official opposition cannot support Bill C–100 on financial institutions, because it maintains a situation which, for more than 25 years now, has led to disputes which have drained the country and put it into debt. In order to end the current financial crisis, the federal government must stop getting involved in the activities of businesses. Similarly, in order to end the current constitutional crisis, Ottawa must stop getting involved in fields of provincial jurisdiction and let Quebec take charge of its own destiny. Unfortunately, this is just the opposite of what is proposed in Bill C–100, which is yet another stage in the exercise conducted by a centralizing government, which is out of step with current events.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, how would the hon. member explain the increased riskiness that apparently is to be expected by the financial institutions in Quebec relative to the financial institutions in other parts of Canada? In particular, I would like him to address the failure of Confederation Life, which was not exactly a small financial institution. I would like him to compare the risks Confederation Life had vis–à–vis some of the institutions which exist in Quebec.

• (1315)

I would like the hon. member to relate the small institutions that operate in Quebec vis–à–vis those that operate in other provinces, for example the Atlantic provinces, British Columbia, Alberta and Saskatchewan and some very small institutions that are covered by the CDIC. Is it the same kind of problem he is alluding to in Quebec, that in fact there are riskier situations? Exactly what point is the hon. member trying to make?

[*Translation*]

Mr. Bélisle: Mr. Speaker, I would like to tell the hon. member that we already have a deposit insurance corporation in Quebec. Depositors' and investors' savings are already protected under the law, and I agree with him. A government majority member who spoke previously mentioned that the attitude displayed by both Bloc and Reform members could be described as provincial or, in the case of the Bloc Quebecois, separatist.

I would like to tell these hon. members that all we Quebecers want is to be able to manage our own affairs. We certainly have nothing against any streamlining effort, legislation or any measure that Canada may want to make, pass or take to better protect people's savings. But as Quebecers and members representing the single largest minority in Canada, we must point out that we have a unique culture, a unique language, and have always defined ourselves as a distinct nation. All we want is to manage our own affairs. Whether in finance or in any other area, we want to be regulated and protected by our own laws.

We have absolutely nothing against any legislation being introduced before this Parliament to improve the way financial markets operate, or the way Canada operates. As I said earlier in my remarks, Canada is indeed an exceptional country. And I think it is destined for further growth in the future. But as Quebecers, that is not our goal as a society. It is not our goal as a country. All we want is just to manage our own affairs. And in a future referendum, in two, three or four years from now, I think that the majority of Quebecers will vote yes, and then, as I indicated earlier, we will have the opportunity to keep working together, hand in hand, not as one of nine or one of ten, but with all nine English provinces and the federal government. We will have the opportunity to keep working together on an equal footing, one on one, with Quebec on one side of the table and Ottawa on the other side.

That is all I wanted to say on this subject today. That is the context in which we want to continue to co–operate with you: as two peoples on equal footing.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I appreciate having the opportunity to stand and support Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions.

This bill, which is essentially a housekeeping bill, has many good features in it. We are giving the Superintendent of Financial Institutions, an organization within the Government of Canada, the power and the capacity to have a much more specific accountability. This is not just in terms of protecting depositors' funds, but also in terms of making sure that the financial institutions are following all of those rules and regulations they are responsible for following which is the reason they got their franchise.

• (1320)

A bank is really not any different from a McDonald's franchise. The person who applies for a McDonald's franchise has to live by the rules and regulations of the administration granting the franchise. If that McDonald's franchiser is not following the rules, then as I am sure members have heard from people who have owned a franchise other than McDonald's such as Budget or Swiss Chalet, the management will say: "There are rules and regulations attached to the franchise that you have been allowed to operate. You are not following them and if you do not clean up

your act, we are going to pull the franchise. We will pull our agreement. We will take the franchise away from you".

Very few Canadians realize that the people of Canada through their trustees and agents in this House of Commons are the ones that grant the banking franchises which exist in Canada. The men and women in this room are the ones who design the rules and regulations that allow the banks to operate. The basic thrust behind that banking franchise is to protect depositors' funds but they are also to be in the business of lending money.

The banks, the franchisees, have done a pretty good job of those 7,000 little franchise operations across Canada, whether they be the Royal Bank or the Bank of Nova Scotia. They have done a pretty good job of protecting depositors' funds.

Where I have a problem is the way they have been handling their relationship with small business men and women. If I had my druthers and if I had had an opportunity, I would have added a couple of amendments to the bill. I would have liked a very specific responsibility given to the Superintendent of Financial Institutions on behalf of small business.

As the Superintendent of Financial Institutions goes through all the lists of responsibilities he has to maintain in his relationship with banks there is no special mention for small business. I do not see it in here anywhere. On that score, I am disappointed. It does not take away of course from supporting the bill because there are a lot of good things in this bill.

Today I have the opportunity to stand on my feet in the House two years into our mandate. I have to say that our effort to sensitize this country's banks to become much more supportive of small business has not grown. That attitude change has not grown the way it should have grown.

I see my colleague, the industry critic from the Reform Party, who sits on the committee with me. He is nodding his head in approval that we really have not done as much as we should have done in committee.

• (1325)

I do not want to say that our efforts and the efforts of the banks have been a total failure. Two weeks ago there was a meeting of the industry committee. It was reported in a document that at the end of the second year there was an increase in the small business loan float. We were all very excited about getting that document. We saw that the loan float for all small business men and women in Canada was approximately $28 billion. That is the total of outstanding loans being utilized by small business men and women. That is a 1 per cent increase in the small business loan float over the last year.

Granted, some people would argue that we are lucky it was not a decrease. However, when we consider the government's Small Business Loan Act guarantee, which is also included in that and the fact that the float increased, the real risk the banks have taken on behalf of small business men and women has not increased that much in the last two years. We are going to have to continue to press forward.

We hope eventually the banking culture, the men and women who operate the 7,000 bank franchises across Canada, in the not too distant future will be fully converted. We hope they will realize that the only way the economy is going to get back on the right track and men and women will get back to work is by making sure the small business community is given the maximum opportunity and the best environment in which to grow.

The Superintendent of Financial Institutions can play a major role in helping members of Parliament accomplish that policy directive. I am not talking about my policy directive here today; it is a policy directive of the Prime Minister of Canada. Make no mistake about it. Two months before the last national election campaign began the Prime Minister of Canada sat in the press gallery across the street from Parliament and said on coast to coast television that we were going to be the government that would really work to change the attitude of financial institutions toward small business men and women.

When I stand in the House today and support this bill and talk about access to capital for small business men and women, I am speaking on behalf of the Prime Minister and the Minister of Industry. In the last budget even the Minister of Finance said that we have to create new benchmarks for the banks in relation to the small business sector.

Those in the Office of the Superintendent of Financial Institutions who will take this bill after it has passed here today and later through the Senate are responsible for monitoring, reviewing and auditing small business activities. I plead with them to assist us in sensitizing those 7,000 branch managers, those franchise holders that small business must be very much a part of the language of the review, et cetera.

I want to move on to another aspect of the bill which I am pleased to see is addressed. It is on page 29 and deals with the whole business of derivatives.

• (1330)

It is no secret to anyone in the House that I have always been concerned about the private casinos the financial institutions in this country operate, the derivatives sections in the banks. I see that this bill gives the Superintendent of Financial Institutions enhanced authority to go into those derivatives sections within the financial institutions and do thorough and complete audits.

I will be honest. I do not understand the complexity of the derivatives game the banks are playing. I notice other members are nodding likewise. However, I trust that the expertise exists within the Office of the Superintendent of Financial Institutions. Some members are noting they are not convinced of that. I hope they are wrong. I will tell them why I hope they are wrong. I know of one financial institution in this country that in its derivatives section, which I call the private casino, trades close to $30 billion a day. In one 24–hour period it trades $30 billion. This is an amazing amount of paper pushing, going back and forth. There are very small margins but with very big exposure.

If the essence of this bill, as my colleague from Dundas said earlier, is to make sure those depositors' funds are protected, then the Superintendent of Financial Institutions should start by making sure there is a good solid handle on all those private casinos, all those derivatives sections in all the financial institutions.

Do members not wonder sometime how one bank can find $30 billion to play the derivatives game in one day yet cannot seem to find the resources for the small business men and women who really require a small loan of $10,000 or $15,000 or $50,000? Am I losing it? Does anyone wonder about that sometimes? It is a totally different issue, but it has to do with will and attitude, which is the point I am trying to make.

If the board of directors or the senior management of a bank decides it is going to be in the derivatives business and play with $30 billion a day, it happens. These guys work 24 hours a day, seven days a week in these derivatives sections of the bank. So if the management of a bank puts forward a policy that allows $30 billion a day to be pushed around the world by these unelected, unaccountable people who can affect the way our dollar goes and affect our interest rates, then why can we not get the same kind of will from the management of the banks to increase the float to small business by a little better than one per cent a year?

I noticed my colleague from the Reform Party, the industry critic, is saying that we can do it. We on this side of the House appreciate his consistent support as we deal with this issue.

This is a good bill because it gives the authority to the Superintendent of Financial Institutions to make sure that not only are depositors' funds protected in a more thorough way, but the whole administration of the bank franchises is followed according to the basic framework of the Bank Act. Alongside that responsibility, I would also ask them, as they go through their check list of responsibilities, to add another one: Check and make sure that those 7,000 franchise holders of bank licences or bank charters across Canada are doing what they should be doing for small business.

• (1335)

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I commend the parliamentary secretary to the Minister of Industry for raising the issue of what is happening to small business. I do not believe he is taking enough credit for some of the things that have happened and have changed the attitude of the banks.

On the one hand, it seems to me that the committee succeeded in saying we have to get more numbers together to ensure that we know for a fact they are not giving money to small business. That is important. The committee was sensitive not only to small business, but to the banks and to the House.

The banks will never be able to escape from the investigation that took place. Each of the chartered banks has appointed an ombudsman and they are now looking for a national ombudsman.

I know that the parliamentary secretary feels the national ombudsman will probably not be very effective because he will be appointed by a board of directors that is made up of representatives from the banks. We will see whether that is the case.

With all of this, the parliamentary secretary has demonstrated one word, although he has never said it: transparency. It is about transparency, being open, telling the story the way it is and making sure the banks come up with their numbers.

I ask the parliamentary secretary whether he agrees with the provision that the premiums paid by the financial institutions to the CDIC should be left secret. Should that not become transparent?

Mr. Mills (Broadview—Greenwood): Mr. Speaker, before I deal with the specific answer to the question I will deal with the first part of my colleague's remarks.

I do not believe it is appropriate for us to stand in the House and defend the chartered banks of Canada until they have really delivered on the objectives the hon. member helped to form in our "Taking Care of Small Business" document.

Yes, the banks have agreed to create an ombudsman, which they essentially appoint, because they control the board of directors. However, I am nervous about our effectiveness as a committee. Yes, they will report more numbers, but let us face it, the banks will not give us what we wanted in recommendation number two, where we wanted a much greater regional breakdown. When I only see a one per cent increase, which is what I call real action, not words—they are fantastic. Remember that campaign of the Bank of Montreal: "We want to share your pain". When I see only a one per cent increase in the small business float, are they getting to us? Are they pushing us off the mark? Are they pushing us off our focus? Are they distracting us?

This is not bank bashing. There are a million small business men and women out there, and there are as many in the hon. member's riding as there are in mine. If his small business men and women are saying to him that the banks are doing a great job, then his small business men and women are different from mine. They are saying we have not made much of a difference yet.

I plead with all members, if we get one thing done in this session for small business, let us make sure that we get the banks into the business of lending to small business in a serious way.

• (1340)

In answer to the member's specific question about CDIC fees being disclosed, for me it is a slam dunk: I think they should be.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I share the zeal with which the hon. member for Broadview—Greenwood campaigns on behalf of small businesses. I know exactly what he is talking about. I have spent my entire life in small business and I know the problems small businesses have had with banks. Quite often the small business people I talk to feel like third class citizens when they go to these big banks to try to get some financial help.

I agree that it must be demanded of the banks that they get serious about dealing with small business in a substantial manner. As far as I am concerned, one per cent is a bit low. I would like to see it higher.

I believe there is an inherent and traditional conflict of interest when it comes to the relationships that governments, whether they be Tories, Liberals, or whatever, have had with the banks over the last several years. The major contributors to the federal parties, both the Tories and the Liberals, have been these very powerful banking institutions themselves. The banks are the most powerful financial institutions, but they are also probably the most influential institutions as far as political direction.

I hope this government has the guts to stand up to the banks and hold a hammer to their heads and say the way they have done things in the past with the Liberal Party and with the Tory Party does not go any more and that the government wants to see them make a profound effort toward helping small business to thrive and prosper in this country. Until a government is prepared to do that, mean it and stick to it, nothing is going to change in the attitude of banks toward small business. That is the key to all this.

We can talk all day long about legislation, and we are going to put this in and we are going to make this amendment, but the government has to be prepared to back it up. I hope this is the government that does it.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I presume the hon. member was talking about the campaign donations made to the parties. I do not think political donations made by the banks really have any effect on whether a government would deal with an issue such as this. I do not see it. I could be wrong.

Where we have a problem as a government, and this is all governments, has to do with the bonds, the government coupons that are being clipped by banks; in other words, buying our debt. That is where bank decision makers can have a tremendous influence on the executive of a government. We are so dependent on the marketing and the purchasing of those bonds.

That goes back to what the member from Okanagan said earlier in his remarks, which has to do with transparency. When we have a bill like this today, Bill C–100, where we are dealing with the Superintendent of Financial Institutions and all the major financial institutions in Canada, I find it absolutely stunning that there is not a list of speakers the length of this room who want to speak on this bill. It gives us an opportunity not only to exchange with each other but also to send a message to the implementers of this bill where we, as a collective group, are coming from.

• (1345)

In my judgment, as MPs, we are blowing a gift to debate one of the most fundamental issues facing Canadians today, which is the ability of small business to gain access to capital. The Superintendent of Financial Institutions is one of the key players in making sure that happens and happens properly.

What are we doing? We have just half a dozen speakers, then the bill will go through the House. It is not that the bill would not go through the House, but this is a good reason to have a good, exciting debate to provide some hope for the only sector in the economy that is creating jobs.

Where are we today on this issue? I am not being critical of the House. I am just saying that every now and then we get a gift handed to us. This is one of the bills that affects the lives of most of our constituents. I wish we could create a little more excitement around it so the superintendent would understand where all of us are coming from on this issue.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, thank you for giving me the opportunity to speak on Bill C–100.

I feel obliged to say that this is yet another unfortunate federal initiative, which gives some impression of being an attempt to help small business and create employment, is intended, when it comes right down to it—at least in the eyes of a member from Quebec—only to increase the powers of control and centralization over some of the country's financial institutions.

The truth at the heart of the matter is that Bill C–100 gives more powers to the superintendent of financial institutions. It also allows Ottawa to take action more promptly when financial institutions are in difficulty, and here again, in the eyes of a member from Quebec, this is merely a move to increase the power in the hands of the federal government, since we in Quebec already have institutions in place which do the job and, what is more, do it very efficiently.

The Commission québécoise des valeurs mobilières is already in place and working very well. We have an inspector general of financial institutions who carries out the same duties Bill C–100 now wants to give to a superintendent at the federal level.

The game is therefore, of course, once again to beef up the federal government's power, the power of centralization, unfortunately at great cost, since once again there is overlap and duplication. Duplication is part and parcel of the history of Canada, the waste of having a federal department doing something, and a provincial department doing the same thing. There is a virtually endless list of examples of this fundamental problem of Canadian federalism, which seems to me to want essentially to monopolize powers in Ottawa, although there are already competent institutions on the provincial level.

This bill is, I repeat, not the sole example of this logic, or political attitude, within the federal government.

• (1350)

I could easily recall from memory some six or seven other bills brought before this House recently, since the election of the Liberal government. Without going into them in great detail, I could mention Bill C–52, which once again attempts to add to federal power in areas that are not only under provincial jurisdiction but are in the private sector. Then there is Bill C–95, which attempts to establish national health standards, often contrary to the interests and powers of the provincial governments.

We have C–96, which addresses human resources and also gives increased powers to the minister in applying the department's legislation. We have Bill C–91, which grants broader powers to the Federal Business Development Bank. We have Bill C–88 on interprovincial trade, which quite openly gives the federal government residual powers, including the power to intervene in agreements between the provinces. And there are many more examples. I could go on almost all day about this.

This government is quite simply intent on increasing its powers to guarantee a certain level of centralization and to keep the provinces well under control. We have this enormous deficit in Canada because the federal government in Ottawa has far too much power and, as a result, is wasting money left and right. It is the same old sad story of this country. As a system, Canadian, federalism has been wasteful, and the federal government has failed to learn from its past mistakes. Even today, government members tell us, in speeches that are hypocritical and make no sense at all, that they are helping small business and will find ways to give them more money.

We are already doing the job in Quebec. We have agencies that are perfectly capable of meeting the requirements of small businesses. In Quebec, we have set up a number of creative initiatives to meet these requirements, in large municipalities and also in the regions. Our financial institutions work very well. We have all the resources and agencies we need to supervise these institutions. And it works.

So why bother today with Bill C–100, which would establish at the federal level a series of activities and institutions that already exist at the provincial level? Again, and we keep repeating this all the time, this is what is fundamentally wrong with the federal system. I could go on and on about the disease, as it were, that exists here in Ottawa, which is—perhaps unfortunately—not only due to a lack of political will on the part of the government but is reflected in the very survival of the whole bureaucracy established in Ottawa for so many years, which is very invasive and whose resistance to devolving powers to the provinces is ingrained, although across the country, people keep asking for decentralization.

The federal government has now tabled a bill that is a complete contradiction of these repeated requests for decentralization. The government cannot or will not listen. This is irresponsible, especially considering the deficit, which is cause for serious concern. It is extremely disturbing when a government tables bills like the one before the House today.

• (1355)

Bill C–100 is purely and simply another tiresome and costly duplication gimmick. In Quebec, we know what this means. We have problems with this, and perhaps this is one major reason for Quebec's wanting to leave and its wanting to change the way negotiations are conducted with the federal government. We want to negotiate as equals, because, it would seem that English Canada is unable to give the federal government a wake up call.

It will take Quebec's sovereignty to wake up the other provinces, and it will be in their best interests, because they will be able to reorganize themselves in more effective terms. When I talk of duplication and the costs of the waste it entails, we know what that means in Quebec. We have done a lot of studies on this. There have been commissions and studies, including the Bélanger–Campeau study in 1990, which gathered a lot of information. There was also the study by Mr. Fortin, a Quebec economist, who said that, in all, some $3 billion had been wasted due to federal and provincial duplication—and this was only as far as Quebec was concerned.

In other words, Quebec as a province could save some $3 billion if there were not this duplication. Three billion dollars; that is a lot of money. You will agree that $3 billion a year is a substantial amount. If the Government of Quebec had this money to create jobs, to lend it to small and medium businesses, jobs would be created.

It is time the government stopped kidding us about wanting to be more efficient and to create jobs, when, in fact, the only thing it wants to do is increase its power. There are examples of duplication. I tell you: all the latest studies show that Quebec alone is losing $3 billion. If we were to look only at the matters essential to Quebec's development, we could point, in the case of manpower training for example, to another study showing that, because of duplication between the federal and the provincial governments, Quebec loses $250 million a year. There is no training and the reason is that the federal government is trying to do the same job as the province. Often the federal government implements initiatives that run contrary to Quebec's interests.

The Speaker: My dear colleague, you will be able to continue the debate after question period. It being two o'clock p.m., pursuant to Standing Order 31, we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

LAKEFIELD, ONT.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, last summer I attended Civic Pride Day in the village of Lakefield, Ontario. This was the home of Margaret Laurence and before her of two other famous authors, Catherine Parr Trail and Susanna Moodie.

On this day, the village was celebrating no less than four anniversaries. It was the 75th anniversary of the Lakefield Hydroelectric Commission and Memorial Hall. It was the 100th anniversary of the library and it was the 120th anniversary of the first village council meeting.

The celebrations were organized by the LACAC, Lakefield Architectural Conservation Advisory Committee, with the support of council and many volunteers and sponsors. Past and present reeves and councillors were present. A historical booklet was produced.

We do not take enough time to celebrate our rich and diverse heritage. We need to think more about Canada as it really is today. My thanks to the village of Lakefield for setting such a fine example.

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THE BARRHEAD TWO–BUCK

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the town of Barrhead started off with an idea and watched it produce fame and fortune. The idea, producing its own version of the $2 coin. The fortune, raising enough money to beautify the downtown core.

How does it work? The Pride in Barrhead Association representing over 100 local businesses minted the Barrhead two–buck. The coin features two deer on one side and on the other side the town's mascot, the blue heron. The two–buck is local tender in Barrhead until the end of 1996.

Collectors from all parts of Canada are clamouring to get their hands on this gold coin. The demand is so high that thousands more had to be minted.

If members want more information on this unique fundraising idea they could call my office. Better yet, they could purchase the two–buck. They had better hurry; they are going like hotcakes.

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FORESTRY

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, this morning I had the pleasure of participating in a presentation to the Governor General at Rideau Hall.

Our small group presented the Governor General with a Christmas tree, a white spruce, the provincial tree of Saskatchewan, on behalf of the town of Meadow Lake which was Canada's forestry capital in 1995 and on behalf of the Canadian Forestry Association of which the Governor General is the honorary patron.

I take the opportunity to thank the people of Meadow Lake and the Meadow Lake Forestry Capital Society represented today by Donna and Barry Aldous for the fine job that they have done on behalf of forestry communities throughout Canada in 1995. Meadow Lake's efforts during the past year will be fondly remembered for many years to come.

I congratulate the people of Meadow Lake, their representatives and the members of the Canadian Forestry Association for making the forestry capital program such a success.

I wish the Governor General, his wife and staff an enjoyable Christmas season with that fine white spruce in their lobby.

KATIMIVIK

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, this past weekend in my riding of Annapolis Valley—Hants I met with a group of young people involved with Katimivik.

Katimivik is an Inuit word meaning meeting place. The project being funded under Youth Services Canada brings youth between the ages of 17 and 21 together to acquire work experience, become involved in their communities and discover Canada.

Through exchange programs such as Katimivik, Canada's young people have an excellent opportunity to travel and learn about all regions of our great country. By promoting this wonderful program the government is helping to bring young people together to achieve common goals, build lifelong friendships and to help break down regional barriers that often divide us.

I urge the government to continue to promote Katimivik and other similar exchange programs as a valuable means of building stronger ties among all parts of Canada.

* * *

PANACOM

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, last Monday, Hewlett–Packard (Canada) Ltd. announced that it had purchased a 12–acre site in Waterloo. Construction will begin immediately on the new plant that will be occupied by the Panacom automation division. The 75,000 square foot facility will be ready by September 1996. Panacom designs, develops, markets and manufactures network terminal devices for the worldwide market.

Since Panacom began in 1984 it has been a leader in its field. Panacom is the number one supplier worldwide of X–stations, which are network display devices that allow users to access simultaneously multiple applications running on work stations. Panacom is a genuine Canadian success story.

The people of my riding are delighted that Hewlett–Packard has decided to invest in Waterloo. The new plant adds to the growing, vibrant information technology sector in Waterloo riding. The new plant will mean more research and development in my riding and more jobs for the people of Waterloo.

To Hewlett–Packard and to the Panacom automation division we send our congratulations and best wishes for continued success.

[*Translation*]

GALA DES MASQUES

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the Gala des Masques, a moving event underlining the richness of Quebec theatre was held last night. Today, we in the Bloc Quebecois wish to pay tribute to the Quebec theatre actors, producers, directors and technicians, whose art lights up the stages of Quebec, Canada and the world.

As Jean–Louis Millette, one of the most talented theatre actors in Quebec, pointed out, we can be very proud of Quebec theatre. We have no cause to be jealous of any other country in the world.

We are all honoured by the creativity, talent, artistic research, and mastery of both classical and modern plays shown by these artists from every region of Quebec.

• (1405)

All Quebec plays performed around the world are a source of pride in and recognition of our cultural strength and vitality. Congratulations to all our artists and creators.

* * *

[*English*]

CRIME PREVENTION

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, the holiday season is a busy time for shoppers and criminals alike.

The Peel regional police and police all across Canada have compiled lists of suggestions to help people reduce the risk of becoming a victim of crime. Among other things they suggest that shoppers avoid carrying large amounts of cash and lock their purchases in the trunks of their cars.

They remind people that empty cartons from high value products such as televisions, computers and stereo equipment may cause a thief to add their home to his post–Christmas shopping list. They suggest that gifts and valuables be kept away from windows to keep criminals from window shopping.

These crime prevention tips may keep thieves from stealing the joy from our holidays. I am sure all members will join me in commending the police on their fine work.

* * *

GUN CONTROL

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, Liberal and Tory senators put a lump of coal in the Christmas stockings of legitimate gun owners when they passed a flawed gun bill last week.

Again it is obvious that the concerns of law–abiding gun owners do not count in the House or in the Senate. The Liberal government ignored these concerns and rammed through legislation which will do nothing to reduce crime but will establish an extensive bureaucracy and give the justice minister unprecedented powers.

When Liberal backbenchers voted with the wishes of their constituents, the government gave them a swift kick to keep them in line. It is the front benches that need a swift kick in their egos, one that will propel them to the back and out the door.

Liberal, Tory, same old story. Tories out in 93. Liberals next, just wait and see.

* * *

THE ENVIRONMENT

Mr. John Maloney (Erie, Lib.): Mr. Speaker, A. K. Wigg Elementary School of Fonthill in my riding of Erie took the first place award out of approximately 80 entrants in the Niagara Environmental Technology Exposition.

The parents, students, staff and members of the community have embarked on a unique environmental project to transform the school property of six acres into an environmentally friendly green space.

The environmental nature area will include trails, wildlife, habitat facilities including a butterfly garden, plantings of Carolinian forest trees and shrubs, as well as woodland wildflowers and ground cover, thereby returning the area to its natural habitat.

The outdoor educational classroom and amphitheatre will have weather station features, compass, sundial, sculptures of cloud formations and windmills. Environmental education will be taught from the natural habitat right outside the classroom window.

I know, Mr. Speaker, you will appreciate A. K. Wigg's plan for enhancing the environment, increasing environmental stewardship, augmenting environmental education and positively involving the community in an excellent project. It is innovative and demonstrates the proactive approach that all Canadians should take to the environment.

* * *

[*Translation*]

THE CONSTITUTION

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, the constitutional changes contemplated by the Prime Minister during the referendum campaign are stirring up feelings of déjà vu.

We are still waiting for government proposals, and what is emerging is not very encouraging: a recognition of distinct society through a meaningless resolution of the Canadian Parliament that falls far short of the Meech Lake agreement, and a right of veto over any constitutional change that will be contingent on the federal government's goodwill.

The Prime Minister has clearly taken the path recommended by the *Globe and Mail* by giving Quebecers the impression that changes will be made when, in fact, there will be nothing meaningful for Quebec. The Prime Minister's proposal is meaningless, period.

* * *

[*English*]

VIOLENCE ON TELEVISION

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, during this period leading up to December 6 when Canadians are focusing on the issues of violence in our communities it would serve all of us well to review last June's Josephson report on "Television Violence: A Review of the Effects on Children of Different Ages".

Dr. Wendy Josephson's research produced a useful reference guide for broadcasters, producers and parents to help determine age appropriate programming for Canada's children.

All the research from Canada, Japan, Europe and the United States clearly demonstrates a correlation between television violence and aggression at very young ages. Our children are subject to positive and negative role models in the media.

• (1410)

We must ensure that television companies serve all Canadians well, particularly our youngest Canadians. For safe communities, safe streets and safe homes this is a critical issue.

* * *

CASINO WINDSOR

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, December 12 is the grand opening of Windsor's second casino location, the Northern Belle Riverboat. With this event the total number of casino jobs created in Windsor will rise by 950 to a total of 3,000. Ninety per cent of these jobs are from the Windsor–Essex county area.

The Northern Belle will entertain two million patrons on top of the 5.5 million that already visit the existing site. Eighty per cent of those visitors are U.S. residents. That means 80 per cent of the dollars spent are foreign dollars.

One of the major competitive advantages to Casino Windsor over its American counterparts has been the safety factor which will be further strengthened by the recent successful passage of the government's gun control legislation. The legislation will not only increase the safety of Canadians in Windsor, it also

means good economic sense in Windsor because it leads to an environment in which job creation thrives.

* * *

HER MAJESTY'S LOYAL OPPOSITION

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I address some comments to Her Majesty's Loyal Opposition, currently the Bloc Quebecois supported by the Liberals, with specific reference to the words loyal and opposition.

According to the Oxford dictionary loyal means faithful, trustworthy, true, steadfast in allegiance and devoted to the sovereign or government of one's country. In the House the Bloc is certainly not loyal to Her Majesty or to Canada and is openly plotting against the government to set up a separate Quebec.

Turning to the word opposition, according to Beauchesne's the official opposition is the largest minority group which is prepared in the event of the resignation of government to assume office. How can we have an opposition party that has no intention of becoming government, at least not in Canada, and is attempting to set up a separate independent state?

Clearly Her Majesty's Loyal Opposition in this 35th Parliament is neither loyal to Canada nor is prepared to fulfil the role of official opposition. It is time for the Bloc to step aside to make room for the real opposition to the Liberals, the Reform Party of Canada.

* * *

[*Translation*]

THE CONSTITUTION

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, at the time of the referendum, the Prime Minister of Canada promised Quebecers change. All solutions had to be considered, including, and I quote: "administrative and constitutional". As of October 31, the Prime Minister's reassuring words gave way to chaotic ones.

Today, the Prime Minister says the Constitution must not be changed: "I said we were going to make changes to the federation, constitutional changes, if necessary, but I never said they were going to be constitutional". The Prime Minister who said he wanted to act quickly has nothing more to offer and is now saying that he will act in due course—heaven knows when.

As Alain Dubuc put it so well in his commentary on Saturday, the moral of the story is: "Please, Mr. Prime Minister, say no more".

* * *

[*English*]

ATLANTIC CANADA

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, the Reform Party has been calling for a much weaker federal government. Once again Reformers are listening only to the small percentage of Canadians who are their supporters. They are not listening to Atlantic Canadians.

They want decentralization in the most decentralized federation in the western world. When Reformers want federal government to withdraw from health care they are not listening. When they talk about privatizing UI they are not listening. When they want a looser federation they are not listening to Atlantic Canadians.

Atlantic Canadians believe in a strong federal government. Atlantic Canadians believe in Canada.

* * *

EMPLOYMENT EQUITY

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, 25 years ago when the Royal Commission on the Status of Women tabled its report in the House women formed roughly one–third of the labour force and on average earned 64 cents on every dollar that a man earned.

In the last 25 years we have eliminated the most blatant forms of discrimination against women through labour and employment equity initiatives. Women now represent 45 per cent of all workers. Nonetheless challenges do remain. Today, on average, women earn 72 cents for every dollar a man earns. Most women continue to work in traditionally female dominated fields.

• (1415)

We need to support job creation and training programs that will prepare women and girls for the jobs of today and tomorrow. We must help Canadian women prepare so they too can have good jobs and earn good incomes.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the special general council of the Quebec Liberal Party revealed last week in Montreal that Daniel Johnson, the president of the No committee, not only heard the Prime Minister's promises of change, he believed them. As Ottawa has been reluctant to deliver the goods, the Quebec Liberal Party went so far as to adopt four resolutions on the promised constitutional changes.

My question is directed to the Minister of Intergovernmental Affairs or to the Deputy Prime Minister. Will they acknowledge that the Prime Minister has no intention at all of acting on the recommendations of the Quebec Liberal Party and reopening the Canadian Constitution, as requested, to insert a provision recognizing Quebec as a distinct society?

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, my first answer is that the Prime Minister is a man who keeps his promises. He promised he would act on the issue of distinct society and the veto. I remain convinced, absolutely convinced, that he will act on those two promises very quickly and that Quebecers will see the Prime Minister is a man of integrity, a man of his word and a man who keeps his promises.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, will the Minister of Intergovernmental Affairs acknowledge that what the government plans to do about recognizing Quebec as a distinct society and about the veto has no connection at all with the request made by Quebec Liberals on the weekend to include these two concepts in the Canadian Constitution, and that the government certainly has no intention of reopening the Constitution to do so?

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, perhaps we should rephrase the question as follows: What is the position of the Bloc Quebecois and of the Leader of the Official Opposition? Because if I remember correctly, last week the Leader of the Official Opposition, the leader of the Bloc Quebecois and aspirant leader of the Parti Quebecois, said in no uncertain terms that he would not consider any constitutional offers before sovereignty.

Clearly, the Leader of the Official Opposition is the one who is obstructing any translation into constitutional terms of the Prime Minister's promises.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the minister's inept excuses are not backed up by Daniel Johnson, president of the No committee in Quebec City. I have the following question for the minister. Now that even his federalist allies in Quebec are asking the Prime Minister to deliver the goods, will the government remember his pre-referendum commitments to Quebecers or will it do what the minister just did and hide behind the fact that there is a sovereignist government in Quebec City?

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 repeat, the Prime Minister made promises he intends to keep and he will keep them. The only obstacle to our proceeding immediately is the members of the official opposition, because their leader made it very clear he is not prepared to proceed on any constitutional offers.

It is time the official opposition stopped trying to evade the issue and admitted that with the Parti Quebecois, it is preventing Quebecers from having the full benefit of the Prime Minister's promises.

• (1420)

After all, 73 per cent of Quebecers said they wanted the Quebec government to negotiate offers with the federal government, and we have the Leader of the Official Opposition who objects, who said no and who prevents us from taking a constitutional approach.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, according to a Gallup poll released today, fewer than 40 per cent of people living in English Canada are in favour of recognizing Quebec as a distinct society, and barely 10 per cent are in favour of reopening the Constitution to add the right of veto.

In light of these results, will the Deputy Prime Minister admit that, when the Prime Minister promised changes to Quebecers on October 24, it was only to sweeten the pot during the referendum campaign and he was well aware that these changes would be unacceptable to English Canada?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first of all there is not one English Canada, as the future leader of the Bloc Quebecois claims. Second, if he wants to look at surveys, I would recommend the one that shows 73 per cent of Quebecers want the government of Quebec to assume its responsibilities and negotiate in good faith with the federal government, which it refuses to do, despite the support of the majority of people in Quebec.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): There is no English Canada, Mr. Speaker; everybody knows that. That is why all the newspapers are in English.

At the special general assembly of the Quebec Liberal Party, the leader of the No committee and of the Liberal Party stated as follows, with reference to the resolutions on constitutional changes adopted yesterday: "These demands represent a starting point only, and are most definitely not the last word".

Is the Deputy Prime Minister aware that the major problem of the Canadian federation is that what constitutes a starting point for the federalists of Quebec represents something unacceptable for the federalists of English Canada, even with the majority they have here in this House?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, what bothers the member is to see that there are sixteen francophone members representing ridings across this country which are not in Quebec but are francophone.

It bothers the member to hear that a poll by *L'Actualité* shows that 86 per cent of Quebecers state that they belong to Canada. If the hon. member wants to carry out an analysis of Quebecers' sense of belonging to Canada, I am sure that the Quebecers, along with other Canadians, are aware that Canada has need of improvement, that Canada has need of change, that Canada has need of open minds, yet Canada is still the best place in the world to live.

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, Quebec's premier in waiting has said that he will not hold another referendum until 1997. That seems to be good news for this do nothing government.

A recent poll found that if a Quebec referendum were held today the yes side would win with almost 55 per cent. This is an outright condemnation of the Liberals' post–referendum strategy. What is more, 55 per cent of Quebecers reject the symbolic changes which the Prime Minister is offering, while a strong majority, as high as 85 per cent, want to see a transfer of powers to the provinces.

Since constitutional change is not an option and since Quebecers will reject the symbolic changes, when will the Prime Minister introduce concrete measures to transfer real power to the provinces?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think Canadians are probably as disturbed as we are to hear the underlying tone of glee in the member's voice when she talks about the possibility of a future referendum.

I point out to her that just as Quebecers do not want a referendum, Canadians do not want a referendum. They want the Canadian government to work together in a constructive way with the provinces, municipalities and Canadians to make a better Canada.

• (1425)

Canadians want better health care. They want a national health care plan that is respected by the province of Alberta. We will continue to fight for a better Canada for every Canadian.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, we wanted the referendum to be over and done with through a strong no vote. It did not happen because of who was in charge over there.

Let me remind the Prime Minister that on October 25, in a speech broadcast to the entire nation, he said:

> All governments, federal and provincial, must respond to the desire of Canadians everywhere for greater decentralization.

That was a promise, not just to Quebecers, but to all Canadians. Since the referendum, however, the government has done nothing but backpedal on its promises.

When will the Prime Minister keep his promise to introduce concrete measures to transfer many powers to the provinces, which is their normal jurisdiction anyway?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to underscore how sad we are that the Reform Party missed a real opportunity to work for Canada during the referendum.

I also remind the hon. member that despite the backroom manipulations of her party, we actually won the referendum. As a government we intend to govern for the betterment of all Canadians.

The Prime Minister made promises in Verdun. He has every intention of keeping those promises. He will not be able to count on the support of the leader of the third party because when the time came, in a private meeting when the Prime Minister asked the leader of the third party to fight for Canada in the way that the leader of the Conservative Party did, the leader of the third party was not there to fight for Canada.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, we have been and will continue to fight for a new Canada, not this old rehash, out of date Canada that they keeping talking about.

I seem to hear from the other side decentralization, if necessary, but not necessarily decentralization. Mackenzie King's dog would have been proud of that line. He could not have said it any better.

Canadians inside and outside of Quebec want real change. They do not want just cosmetic changes and the ivory tower thinking that we are going to hear on Wednesday from the Minister of Human Resources Development.

Is that it? Is that all this bankrupt Liberal government has to offer, recycled centralist policies again and again and botched unity strategies? Does the government have any clue whatsoever, or is the Prime Minister just making it up as he goes along?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the saddest thing about the configuration of the current Parliament is the fact that in the opposition every day basically we see two sides of the same coin. We see a Bloc Quebecois that is fighting to separate Quebec from Canada and a Reform Party that is fighting to separate Canada from Quebec.

The member talks about the rehash of Canada. I remind her that despite our differences and despite our flaws, we have been chosen for several years in a row as the best country in the world in which to live. Yes, there is room for improvement, but if the Reform Party suggests that Canada is a rehash, it should call itself the regress party.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is directed to either the Minister of Intergovernmental Affairs or the Deputy Prime Minister.

Yesterday, Daniel Johnson repeated what he, his party and all other Quebecers had heard and understood, namely that the Prime Minister had undertaken to make constitutional changes in line with Quebec's aspirations. That is why Mr. Johnson urged Ottawa to act quickly on its referendum promises.

Will the Prime Minister, his deputy or the Minister of Intergovernmental Affairs admit that setting up a phoney committee to save Canada is only a tactic to water down the Prime Minister's commitments, but a tactic that fools no one, not even former allies of the no side like Daniel Johnson and Liza Frulla, who are now asking him to deliver the goods quickly?

• (1430)

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, again, I think that the official opposition is hard of hearing. The Prime Minister made promises and he will honour them.

This past week–end, the special convention of the Liberal Party passed a number of resolutions, which we will do our best to help implement. The unity committee that was struck and that I chair is to look not only at how the Prime Minister's promises can be fulfilled, but also at possible corrective measures to make Canada an even better place.

I wish that the official opposition would do its job, which is to help make Canada a better place, instead of systematically attempting to destroy the country.

Mr. Pierre de Savoye (Portneuf, BQ): In this regard, Mr. Speaker, are we to understand that the Prime Minister intends to take the advice of the *Globe and Mail*, which was suggesting that, to save face, all he would have to do is to offer Quebecers a symbolic recognition of the distinct society and a so–called right of veto?

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, again, we must bear in mind that the Prime Minister made promises concerning the distinct society and the right of veto and that he will keep his promises.

But at the same time we must not forget that the Leader of the Official Opposition very clearly stated that he would reject any constitutional proposal and refuse to consider any offer made by the federal government. So, in this instance, the Prime Minister is the one who is trying to go ahead and give something to Quebecers, but his efforts are being thwarted by the inflexible and hard line approach taken by the official opposition and its leader.

* * *

[*English*]

PEACEKEEPING

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, every time this government holds a debate on peacekeeping it is a total sham. The decisions are already made and there is no free vote.

Last week I sent a letter to the Prime Minister requesting that he respect the will of Parliament and allow a free vote on a clear peacekeeping proposal. Now that the government has had time to think about it, I would like an answer. Does Parliament get a free vote, yes or no?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question.

As he knows, while the peace accord was signed, from the Dayton, Ohio discussions it appears it will be some time before the accord is actually ratified. He would be aware that there are a lot of perturbations going on in Bosnia with respect to the details of the accord itself, such things as the width of the corridor in northeastern Bosnia, the disposition of war criminals potential and also the difficulty with the management of the Sarajevo situation.

On behalf of the Prime Minister and the ministers of defence and foreign affairs, I can guarantee the hon. member that there will be a debate. The opposition parties will have their input. But I cannot say when this debate will take place. I hope it will be soon, but it cannot take place until the accord is actually agreed to.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I guess I missed the yes or no in that answer. I am sure it was there somewhere.

In my letter to the Prime Minister I asked him for a genuine debate on peacekeeping. In order to have that debate, we require details. We need to know the budget, the maximum duration, the mandate. The government has not even told us the size or the role of the Canadian contingent.

When is the government going to provide these details? Is it just planning to keep Parliament in the dark as usual?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in response to the hon. member's questions, they are very valid.

The standing committee on defence, with the input of the third party, has agreed to a set of criteria in the white paper. I can assure him that these criteria will be looked at. They were developed basically by all parties in the House. We will try to

provide reasonable and responsible answers to these questions when the debate takes place.

* * *

[*Translation*]

MANPOWER TRAINING

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday, the president of the no committee, Daniel Johnson, asked this government to decentralize federal powers, starting with those in the manpower training sector.

• (1435)

Can the Deputy Prime Minister pledge that the social security reform, which her party intends to table in the House this week, will be an example of decentralization and that, consequently, Quebec will have sole authority over manpower training?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, as the hon. member knows, we will shortly be tabling a new Unemployment Insurance Act here in Canada in response to what we heard from hundreds of thousands of Canadians who want basically a modern system, a system that is sustainable, and a system that will provide Canadians with a set of tools to get back to work quickly.

Part and parcel of what Canadians are calling for is greater decentralization and empowerment of local communities to make the decisions that best suit their local realities. The objectives that Canadians have set will be of course honoured in the new employment bill.

[*Translation*]

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my supplementary is for the Deputy Prime Minister. This week, we will discuss a concrete issue, namely vocational training, and we are anxious to see how the government will decentralize powers.

Are we to understand that, by refusing to make the social security reform an example of decentralization, the government is clearly showing that the commitments made by the Prime Minister in Verdun were just a smoke screen?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I do not know where the hon. member gets the impression that we are not willing to reform Canada's social security system. Just as a reminder, it was the federal government that embarked on this very important legislative process to modernize Canada's social security system.

I want to tell the hon. member, who is extremely concerned about the role of the provinces in this particular case, that the provinces will be brought in as very effective partners, along with local stakeholders, to make sure that the type of training Canadians need is in tune with the times and will get Canadians back to work very quickly.

* * *

PRISONS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, it was recently reported that the 1994–95 cable TV bill for providing cable services to prisoners at the Mountain and Kent institutions totalled nearly $60,000. That is for one year.

Criminals should be punished for their crimes. Yet we have murderers, thieves, rapists, and drug dealers being treated to such luxury as cable TV, compliments of the taxpayer.

My question is for the solicitor general. Why is he wasting taxpayers' money to provide prisoners with cable TV when many of our law–abiding citizens and seniors cannot even afford to keep it?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I think my hon. friend is mistaken in his allegations. If my recollection is correct, the system is being switched so that the cost of cable TV is being paid for by the prisoners themselves. I think that is something he should be happy to support.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the solicitor general should get his facts straight. The salaries the prisoners make in prison are paid for by the taxpayers. It is still taxpayers' money.

Federal prisoners in federal institutions are sitting on their duffs watching cable TV to the tune of $1 million a year. Whatever happened to hard time?

Will the minister show some strength of character and announce immediately that all TVs will be removed from federal prisons, yes or no?

Hon. Herb Gray (Leader of the Government in the House of Commons and solicitor general of Canada, Lib.): Mr. Speaker, when prisoners get paid it is basically for work they do or programming they are involved with in prisons. It is part of the process so that when they get out they do not offend again, which I hope is something the hon. member will support.

I repeat, the cost of TV in prisons is being borne by prisoners themselves. I do not understand why the hon. member is more concerned about this than matters of jobs or Canadian unity, but if he wants to be, I am happy to answer his questions.

[*Translation*]

ENVIRONMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, the Minister of the Environment surely knows that her colleague, the Minister of Natural Resources will, as early as mid–December, fob off on the private sector a site located in Quebec which could be contaminated by nuclear waste. Indeed, a public servant involved in the sale wrote that: "If the site is contaminated, we may be forced to decontaminate it, even after the sale".

• (1440)

Is that the kind of practice to which the minister was alluding when she recently said, with great pomp: "We do our best to turn environmental challenges into economic opportunities"?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, I must confess that I am not sure I understand the hon. member's question. If she is referring to the sale of part of some 2,500 acres owned by AECL in the province of Quebec, AECL will be selling 250 acres of that site. The contractual negotiations are ongoing at this time.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, will the minister, who prides herself on implementing the principle whereby the polluter must pay, give the example by pledging to decontaminate that potentially contaminated site before its final sale? I think my question is clear, Mr. Speaker.

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, environmental assessment of the land is a matter for discussion and negotiation between the seller and the prospective buyer. Those discussions are going on now as part of the negotiations for the sale. I do not understand what the hon. member's concern is.

* * *

NATIONAL DEFENCE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Minister of National Defence.

Now that the report of the special commission on restructuring of the reserves has been tabled, can the minister advise the House and my Carleton—Charlotte constituents the timeframe that can be expected for the new review and possible implementation of the commission's recommendations and the result of same?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question, which I believe is of importance to all members of the House.

I have to tell the hon. member, and I believe the House is aware, that this spring a special commission was struck on the restructuring of Canada's reserves. The commission was chaired by a retired chief justice of the Supreme Court of Canada. Two acknowledged experts in the field were his compatriots on the study. The study was completed at the end of last month and was reported to the minister and indeed to the parliamentary committee.

The Standing Committee on National Defence and Veterans Affairs is now in its third week of hearing witnesses with respect to the recommendations that were made on the report, which was tabled in the House about three weeks ago. The hon. member should also be aware that the other place has recently struck a committee and it too will be studying the contents of this very important report.

Regarding the time frame, both committees are to make a report to the minister by mid–January.

* * *

CRIMINAL CODE

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, victims groups, the police, the Reform Party and a majority of the Liberal caucus want the elimination of section 745 of the Criminal Code, which allows first degree murderers to appeal their sentence after serving only 15 years of a life term.

I ask the Minister of Justice, will he support the removal of this unacceptable provision by ensuring that Bill C–226 is brought before the standing committee before this session of Parliament ends?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, may I first observe how welcome it is to hear the hon. member asking about a new and important subject.

Last spring, when the private member's bill was before the House, there was in effect a free vote on the question of whether it should go to committee. It went to committee. Shortly afterward I wrote to the chair of the committee and asked that the committee arrange to have hearings on the bill early on. Those hearings were started just after the House resumed in September.

I have urged the committee to look at the question of section 745 in the broader context of penalties for murder. I hope it does that. I also hope to have something to say to the committee before it completes that deliberation on the whole subject so that we can see the issue in context.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, what motivates, at least in part, my question to the justice minister is my knowledge of his stand on Bill C–226 when it came before the House.

I say to the justice minister that Darrel Crook, the convicted murderer of RCMP Constable Brian King, is appealing his parole ineligibility for first degree murder this February.

• (1445)

Will the minister put a stop to the further torment of Brian King's widow or will he subject her to reliving the brutal death of her husband one more time? Will he support the elimination of section 745 from the Criminal Code? Will he tell us of his intention today?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I met last June in my office with Marie King Forest, the widow of Constable King. I had an opportunity to discuss with her firsthand the effect that the application has had on her and her family.

More than anything else, it was my perception that her exclusion from the process was enormously hurtful. That in large part motivated the change in section 745 which I brought before the House in Bill C–41, which guarantees the role for the victim in the section 745 hearing. This change was brought about largely due to my meeting with Marie King Forest.

I do not believe the issue is so simple that it can be dealt with solely by the repeal of section 745. I have made every effort to encourage the hon. member, the House and the committee to see that question in the broader context of penalties for the crime of murder.

As the committee examines that broader question, I shall have something to say by way of what I hope are constructive suggestions as to how it might improve the regime for murder penalties in Canada. This will include the question of the application provided for in section 745.

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, my question is for the heritage minister.

In response to a question put to him last June about the fact that the Canadian sports guide was published in English only, the heritage minister promised to have the Official Languages Act enforced in organizations that his department awards funding to. I wanted to remind him of that promise.

How can the minister explain that several sports associations that his department is responsible for, such as Badminton Canada, Water Ski Canada and a dozen other associations, are still publishing their annual reports in English only?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, since that time, we have taken steps to negotiate an accountability framework for the various federations receiving financial assistance from the federal government.

If our hon. colleague has additional information, I will be pleased to look at it, but the policy I outlined has not changed: we expect these documents to be published in both official languages.

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I have never heard of legislation being open to negotiation in this House before.

Here is my supplementary question: How can the minister explain that, this year, for the first time, Football Canada's report was published in English only, if not by the fact that francophones are the first ones to bear the brunt of budget cuts?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I will remind our hon. colleague that the funding of sports governing bodies does not come under any statute of the Parliament of Canada nor directly under the Official Languages Act. Arrangements are made by my department to make sure that French is used as it should be in Canada. But the law was not broken in this case.

* * *

[*English*]

TRADE

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, the United States has initiated a trade action against Canada's tariffs on supply managed farm products.

Will the Minister of International Trade use this dispute as an opportunity to negotiate a reduction in American subsidies, subsidies which restrict Canada's ability to export dairy and poultry products south of the border?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, working groups are now considering this issue. Discussions are taking place. We believe that a proper approach to trade and trade remedies will deal with the issue.

• (1450)

I will take the issue under advisement and bring it to the attention of the Minister of Agriculture and Agri–Food who is in the best position to answer the question.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, the parliamentary secretary should realize that this is a winner take all dispute. It is a very important question for Canada's supply managed farmers.

Why is the government playing Russian roulette with our farmers? If Canada loses the dispute, our supply managed sector will see open borders almost overnight. Thousands of farmers will go broke. Why is the minister not offering partial tariff reduction in exchange for fair access to the U.S. market?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, the hon. member knows very well that a number of trade discussions are going on with the United States on a number of fronts. The challenge through the NAFTA panel process on supply management is only one of them.

We have said very clearly that we will continue to handle each concern which the United States has with us and which we have with it one at a time. We have also said very clearly that we will defend Canada's supply management system very fervently. We are confident the process will work in our favour.

* * *

[*Translation*]

PUBLIC SERVICE OF CANADA

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, many of our fellow citizens in the Outaouais are very concerned about the public service cuts. The government has expressed its desire to provide quality services.

Can the Parliamentary Secretary to the President of the Treasury Board tell the House what measures have been taken to boost morale in the public service?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, the President of the Treasury Board has taken a special interest in the public service. He has outlined, both here in the House of Commons and in public, his vision of the public service and has been involved in a number of initiatives to raise morale, to try to work with these people. The President of the Treasury Board has also attended special events of all kinds.

[*English*]

The President of the Treasury Board has set up a secretariat to look at renewal in a profound way. He has set up an advisory council for change in order to do just that. He has hosted a series of meetings and has been involved in them in a hands on way. He has opened dialogue with everybody in the public service, including the frontline workers. He has sent a letter to his colleagues encouraging them to do the same.

[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, my question is for the solicitor general. Some time ago, the RCMP suspended Sergeant Gaétan Délisle for running in a municipal election and being elected Mayor of Saint-Blaise-sur-Richelieu. This individual has been campaigning for years to defend the right of RCMP officers to form a professional association.

How can the solicitor general justify Sergeant Délisle's suspension, when other RCMP officers elected to public office in their communities have never been suspended from their jobs?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, according to the information I have, the other officers the hon. member is referring to were elected as school board trustees and not as mayors. The regulations prohibit any officer from running for mayor, for member of a provincial legislature, or for member of Parliament. It is also a matter of internal discipline. This whole matter will be reviewed thoroughly.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I would remind the solicitor general that the rules that now apply to the RCMP used to also apply to the Public Service Act, and that this act was ruled unconstitutional and obsolete. I therefore ask the solicitor general if he intends to intercede with the Commissioner of the RCMP to defend Sergeant Délisle's democratic rights and stop the RCMP management's harassment campaign against him?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, once again, according to my information, the Supreme Court ruling has no direct bearing on Staff Sergeant Délisle's case. In any event, the matter is under review as part of the RCMP's internal discipline process, and I will gladly take steps so that this process will in time provide a response to this very important matter for Staff Sergeant Délisle.

* * *

• (1455)

[*English*]

PUBLIC SERVICE OF CANADA

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, due to popular demand the federal government's cash buyout program aimed at reducing the public service is expected to cost an extra $500 million in addition to the original cost of $1 billion. These expensive buyout programs are costing the taxpayers millions of dollars and are giving some lucky public servants a golden handshake similar to winning the lottery.

Will the President of the Treasury Board confirm that the government's buyout plans are far too generous and that it has been a long time since so much has been given by so many to so few?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, when the government initiated these programs it obviously went to the private sector to see what was being done there. Certainly what we are doing is very comparable to the private sector.

My colleague fails to understand there has been an initial rush on that program. There have been more people than expected. Yes, it may reach $2.3 billion, but during that same period of time $4.2 billion will be saved and $2.2 billion per year thereafter. That is a clear saving.

I am really quite surprised that my colleague would make such a charge. It is unfounded and completely incorrect.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, talking about the private sector, the National Capital Commission is cutting 400 jobs by contracting work out to employee takeover companies. Spokesperson Diane Dupuis said that the project works because employees will receive less pay and benefits in the private sector than they would as public servants.

Would the parliamentary secretary please tell us why civil servants are paid more than private sector employees, have better job security than private sector employees and have far more generous buyout packages than what one could have in the private sector?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I have already indicated that the first question was totally erroneous, that there is going to be savings over time.

With respect to the second question that if one privatizes or commercializes there would be a particular savings because people would earn less, we all know that sometimes it works that way but other times it is completely the opposite. In this case we are keeping those programs we need to keep. We are keeping those civil servants we need in order to give the best service to Canadians. In certain cases we are looking at alternatives which is a wise, sensible and sensitive way to proceed.

I am surprised that my colleague is not jumping up and down applauding the government for this wisdom.

* * *

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my question is for the Minister of the Environment.

Louisiana–Pacific's OSB plant and harvest plan in Manitoba is under review by the province. There have been claims of errors and omissions in the entire existing process. There have been calls for an environmental impact for the entire escarpment area. There appear to be federal triggers in place including aboriginal land interests and fish habitat.

Does the Minister of the Environment have the opinion that the Canadian Environmental Assessment Act is applicable in this case? Is she prepared to take the steps necessary to see that a joint federal–provincial assessment is done?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Yes, Mr. Speaker.

* * *

TRADE

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, the government recently released figures about Canada's international trade.

Could the Parliamentary Secretary to the Minister for International Trade tell the House what these figures show about Canada's export performance and how it contributes to our economic growth and jobs for Canadians?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, on behalf of my colleagues I would like to pay tribute to the finest ever minister of trade and his staff on a job very well done.

Here are the facts. In 1995 to date Canadian exports were 20 per cent higher than for the same period in 1994. Our trade merchandise surplus for September alone was $2.9 billion. By September, Canada's year to date trade surplus with the United States was $5.7 billion, higher than for the same period in 1994. For every $1 billion, 10,000 jobs are being created in our economy.

* * *

[*Translation*]

AIR TRANSPORT

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, my question is for the Minister of Transport.

On November 3, American Airlines and Canadian International filed an application for antitrust immunity with the U.S. department of transport. Such immunity would allow the two companies to merge their operations and act as a single carrier for transborder flights.

• (1500)

Will the minister clearly tell the two carriers that merging their transborder operations is not acceptable to the Canadian government, because it violates the Open Skies Agreement by giving American Airlines privileged access to the three largest Canadian airports, thus jeopardizing the activities of Canadian carriers?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the application that the hon. member refers to is one that is being considered by the appropriate authorities in the United States.

The National Transportation Agency has the responsibility as it relates to any activities by the two airlines in Canada. It would be our intention that whichever direction those two airlines desire to take in terms of merging their operations, they will have to respect both the letter and the spirit of the law in Canada.

* * *

FISHERIES

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the Nisga'a land claims negotiations in northwest British Columbia apparently include a Nass River aboriginal commercial fishery allocation.

This flies in the face of the five aboriginal fisheries cases currently being argued before the Supreme Court. The provincial aboriginal affairs minister in B.C. has stated that whatever the results of these cases, commercial fishing must not be entrenched in B.C. treaties.

What continues to motivate the Minister of Fisheries and Oceans to promote inclusion of a racially based commercial fishery in B.C. treaties?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is quite clear that the only thing that is racially based is the nature of the questions being asked in the House of Commons.

Some hon. members: Oh, oh.

The Speaker: Both in the questions and in the answers sometimes we abut on what is parliamentarily acceptable. I would encourage all hon. members when asking questions and responding to be quite judicious in their questions and in their answers.

This concludes question period.

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 14 petitions.

* * *

[*English*]

COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Transport on Bill C–101, the Canada Transportation Act.

The primary aim of the bill is to encourage the revitalization of the rail industry by reducing the regulatory burden facing that sector.

The bill was referred to the committee after first reading, pursuant to Standing Order 73(1). This new procedure allowed members to participate more fully in the legislative process and make important and constructive amendments to the bill.

The committee acknowledges with gratitude the co–operation and support of all those who contributed to our study of Bill C–101. We extend our thanks to all the witnesses who appeared, as well as those who made written submissions and shared their knowledge and insight with us.

• (1505)

In the process of reviewing this bill, the committee heard 55 hours of testimony from 154 witnesses, representing 85 stakeholder groups and organizations.

I would like to give special thanks to the clerk of the committee, the researchers, interpreters and the support staff of the committees and parliamentary associations directorate. I would also like to thank my fellow committee members for patiently proceeding through hours of testimony in order to ensure the effective evaluation of Bill C–101.

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 103rd report of the Standing Committee on Procedure and House Affairs regarding the membership and associate membership of standing committees.

If the House gives its consent, I intend to move concurrence in the 103rd report later this day.

* * *

CANADIAN WITHDRAWAL FROM NAFTA ACT

Mr. Nelson Riis (Kamloops, NDP) moved for leave to introduce Bill C–359, an act to require the withdrawal of Canada from the North American Free Trade Agreement.

He said: Mr. Speaker, this bill is a mirror bill to legislation introduced in the United States Congress by Peter De Fazio, a Democrat from Oregon and Senator Byron Dorgan from North Dakota.

It has support in the United States of 23 members of the House of Representatives and a number of senators representing both political parties. Basically, it says that not later than 90 days after the date of enactment of this act, the Government of Canada shall, pursuant to article 2205 of the agreement, notify the Government of the United States of America and the Government of the United Mexican States of the withdrawal of Canada from the North American Free Trade Agreement.

(Motions deemed adopted, bill read the first time and printed.)

* * *

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 think you would find unanimous consent for the following motion. I move that the 103rd report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

INCOME TAX

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. This petition has been signed by a number of Canadians from Etobicoke, Ontario.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families that 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 on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

ABORTION

Mr. Mac Harb (Ottawa Centre Lib.): Mr. Speaker, I would like to deposit a petition signed by some of my constituents, pursuant to Standing Order 36.

ASSISTED SUICIDE

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I have several petitions to present today. One is asking that the current prohibitions against euthanasia or assisted suicide of any kind be upheld.

RIGHTS OF THE UNBORN

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, another petition requests that Parliament enact provisions to protect human life before birth.

HUMAN RIGHTS

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, a third petition asks that recognition by the crown of same sex relationships be withheld.

WITNESS PROTECTION PROGRAM

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, another petition prays for better recognition for witnesses in any witness protection program.

* * *

• (1510)

[*Translation*]

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. 244 will be answered today.

[*Text*]

Question No. 244—**Mr. Caccia:**

Since its inception 19 years ago, what has been the total cost of constructing, maintaining and repairing the Bruce II reactor at the Bruce nuclear generating station?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Natural Resources Canada and Atomic Energy of Canada Limited have not provided funding for the construction, maintenance and repair of the Bruce II reactor at the Bruce nuclear station. Ontario Hydro is responsible for the Bruce II reactor.

[*Translation*]

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BANK ACT

The House resumed consideration of the motion that Bill C–100, an act to amend, enact and repeat certain laws relating to financial institutions, be read the second time and referred to a committee.

The Speaker: The hon. member for Québec–Est has the floor. He has another six minutes approximately.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, as I was saying before question period in connection with Bill C–100, I find this bill unfortunate for Quebec, because it is an attempt to set up institutions that already exist in Quebec and work very well there.

I said that the great misfortune of the Canadian federal system is this business of duplication and that a policy of decentralization had to be implemented as quickly as possible. The people of Quebec, like elsewhere across the country, have spoken in favour of more decentralization.

Here is the government introducing Bill C–100, which goes against the trend and the wish expressed by so many people. Common sense itself dictates the need for more decentralization in Canada. Quebec has already suffered considerably from the wastage caused by departmental duplication. I was saying that, according to certain studies submitted to the Bélanger–Campeau commission, including the one done by Pierre Fortin, duplication cost Quebec alone some $3 billion a year. This money is wasted. This is pure and simple loss. Not only is it money lost, but it means departments and governments are unable to function and to provide people with quality services.

It seems to me that, if I were in government, and I wanted to save this great and fine country of Canada, I would undertake to decentralize. It seems that it is just good common sense for the government to decentralize; it is obvious. If only the people in government would listen, it could be done. They would understand that, in fact, decentralization is the only way to save the country. I repeat: centralization, the federal government's tendency to take over powers and to duplicate services already available provincially, is costing the Government of Quebec $3 billion. Studies have proven this; these are not groundless allegations.

Just in the area of transport and communications, there has been much talk—call it dispute if you want—much debate about the distribution of powers between the federal and provincial governments. It is estimated that, in the area of transport and communications alone, the shortfall is about $233 million. If the responsibility for transport and communications came under only one level of government instead of being shared by two governments, hence duplication, the Government of Quebec would end up with $233 million more in its pocket. So, there is a shortfall in that regard.

• (1515)

It is the same thing with taxes. If there were only one government collecting taxes in Quebec, this would generate $299 million in savings. In other words, this much, $299 million, is lost, squandered, because of duplication and overlap between our respective departments.

I could give you more examples, with respect to regional development and business assistance for instance. In fact, Bill C–100 is brought forward under the pretext of providing assistance to businesses, when there are well established new business start–up services in Quebec to assist small business. Why more duplication? Why establish more agencies and institutions that we already have at the provincial level?

Same thing with health and culture. The worst of all, of course, is manpower training, an area where the federal government is essentially copying the services provided by the province, duplicating programs. This duplication is apparently responsible for a $250 million shortfall in Quebec and, again, not only is money being lost, squandered, but manpower training is not being conducted.

We are told that, in Quebec, thousands of jobs may have remained vacant because this training was not provided. In many cases, these jobs require special technological training. Since this training was not provided because of intergovernmental duplication, the people who should be holding these jobs end up either on unemployment or on welfare because of the government, again, because of this duplication.

This creates not only deplorable waste but also a great deal of poverty. In fact, this keeps a number of people unemployed and on social assistance. Of course, the federal government does not have a good reputation in this area so far. You know as well as I do, Mr. Speaker, that since the last budget the federal government has introduced a whole series of measures to make cuts in unemployment insurance, in the health sector, in education, and even in old age pensions, which all amount to rather virulent attacks against the most vulnerable in our society.

Allow me to quote from an article by Jean–Robert Sansfaçon that appeared in the May 2 edition of *Le Devoir*: "To this day, the only result of the federal government's social reforms has been to move people from unemployment to welfare rolls. Yet, one does not have to be a separatist to know that the provinces are in a better position than the central government to find the solutions that can best meet the needs of their people".

In fact, we should all learn this lesson, which is constantly repeated in this House. The lesson is that the provincial government is often in a better position to fulfil certain functions, as in the case of financial institutions. Unfortunately, Bill C–100 would put in place institutions that already exist at the provincial level. What a waste.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C–100, an act to amend OSFI and CDIC and related acts.

• (1520)

Looking back in history, some years ago we had what were then known as the four pillars of our financial industry, which were the banks, the trust companies, the insurance companies, and the brokers. At that time, the government of the day saw fit to allow the banks to break down these barriers among the four pillars of the financial industry. So the banks started to take over the trust companies and the brokerage houses. Today, as we know, the banks virtually control the other two pillars of the industry, which only leaves the insurance companies, which by and large are removed from the banks. At this point we still have a clear separation of what banks can do in the insurance industry, and insurance companies are kept out of the banking industry.

We know there is serious lobbying and serious pressure by the banking industry to get into the insurance business. This is going to take away the pillars of our financial industry which kept us four square on the ground and will leave us standing on one leg. I am not exactly sure that we are going to find that standing on one leg interminably is actually going to be good for our health. It might get a little cramped and painful after a while.

I have some serious concerns about the wisdom in the long term about decisions such as allowing the conglomeration of all the financial services in this country to come into the realm of the banks. Without being derogatory to the banks, there are not that many of them left. We have a very serious concentration of power in the hands of a very small number of elite people in this country, all of whom are unknown, unelected, and responsible to no one, hardly even to their shareholders.

The banks are such a complex business that those people involved in the senior management of the banks would have great problems, I am sure, trying to explain the intricacies of their jobs to the shareholders who own their business and to the depositors who participate or create the business to the benefit of the country and to the government at large.

As I have said, I have serious concerns about the wisdom of taking the four pillars of the financial institutions and making them into one.

I know the banks have always put forth the argument that competition requires that they get bigger. When we look around the world we see some behemoths as far as the financial world is concerned. I understand the merger of the Chase Manhattan Bank and the Chemical Bank in the United States will create an organization of $300 billion in size. That is truly a behemoth under any rule we wish to use.

However, here in Canada we are a small country. If we are to agree that big is beautiful in the world of international finance, we cannot have it both ways. We can either have competition with a large number of competing companies or we can meet the desire to be large and compete on an international scale by using the same measures as the huge banks around the world. Therefore we may end up having a choice between big banks and no competition or small banks and much competition, or we may have to have an arrangement or a compromise in between.

I say that competition surely is the way to go. When we look around the world we always find that competition brings out the best in business. It brings out the best service, the best products, and the best prices. I am sure that rule applies to the financial industry every bit as much as it applies to every other industry that serves our Canadian public.

The other argument for competition is these huge banks that are being created around the world. It was earlier this year when the first surprise was sprung upon the world with the Barings Bank disappearing overnight with a $1 billion loss, all because of one rogue trader in one office who was on the opposite side of the world from the head office. The entire organization was destroyed overnight.

• (1525)

A couple of months ago one of the Japanese banks in New York admitted to losing $1 billion. Again it was the fault of one rogue trader, who perhaps was in collusion with others within the organization. That overnight loss was revealed to the general public.

In the last decade there was a $500 billion loss in the savings and trust loans fiasco in the United States. Now we are facing a situation in Japan, where the largest of the world banks have been based for some time, in which losses may be as high as $1 trillion. That is a tremendous vote of non–confidence in people's ability to manage institutions that big.

That is why competition is vitally important. Bigger is not necessarily better.

Bill C–101 deals primarily with two things: the Canadian Deposit Insurance Corporation and the Office of the Superintendent of Financial Institutions. I would like to talk about the CDIC.

The CDIC is sponsored by government to insure deposits within the federally regulated banking system up to $60,000. We thought it was working well for many years because there was never a claim. However, in the last few years we have seen quite a number of institutions that have been claiming on a regular basis, from the vast sums of money claimed by Confederation Life to other trust companies that have failed over the years. They have cost the Canadian taxpayer large sums of money.

It is time for us to take a new look at the situation. This bill unfortunately goes a short way by proposing rated premiums for the CDIC, which will be based on its assessment of the risk. It will vary the premiums according to the risk. The bad thing is that the CDIC intends to do this behind closed doors. That I cannot accept. If they think they are going to tell a financial institution that the risk is high and therefore the premium on the deposits is high, the Canadian public must be made aware that

there is a potential risk involved in the financial institution and be governed accordingly.

About a decade ago in my home province of Alberta we had a fiasco called Principal Trust. I know that was a provincially regulated institution, but the principle is still the same. If an institution that is being fraudulently managed wants to work behind the veil of secrecy, it can do so, making the Canadian public vulnerable to loss.

It is absolutely vital that the information be provided up front. I cannot see any harm in that. I do not see how an institution can prevent it from becoming public knowledge.

We all know that once the bill is adopted the premium ratings will be applied. All it requires is someone at the annual meeting of the financial institution to ask what is the rating of the premium paid to the CDIC. They will either find out or management will lie to the shareholders. I hope they will not lie to the shareholders. The information should become public very quickly. I see no real reason for the information to be kept private.

Another thing regarding the CDIC, which perhaps has more of a bearing on the government than the CDIC, is the fact that if it needs money it will be given the opportunity to borrow the money on the open market rather than dipping into the consolidated revenue fund. While it may seem a fairly innocuous change, if we look more closely we see it is another way to slide borrowings off the balance sheet of the Government of Canada and on to the private sector so that they will not show up in the public accounts of Canada.

• (1530)

It is shameful and disgraceful the government would even propose such a move. If the government is to stand behind the deposits of investors, let it show in its records what it is costing taxpayers. It is shameful the government would even propose the amendment to which I am totally and absolutely opposed.

The money markets of the country are not the place in which to subsidize the losses of financial institutions that create the money markets in the first place. We could go around and around in ever increasing circles and accomplish absolutely nothing.

The government should be prepared to stand up to its obligations, have the information in front of the public, tell people what is happening and let the people decide while the government still enjoys their confidence. If they do not we know the consequences. To hide behind the barriers and the veils of secrecy cannot be tolerated in this day and age. On OSFI the veil is being drawn even more tightly than on CDIC, perhaps with even more disastrous results.

We can look at some of the items in the white paper released by the government back in February 1995 prior to the tabling of the legislation. OSFI's role is to monitor and supervise financial institutions to ensure that they are safe for the general public to invest in. The government has come up with the phrase that it is a privilege rather than a right to own a financial institution. I tend to agree with the statement that no one has the right to own a financial institution if it allows them to rip off the public and hence the Canadian taxpayer.

There are four steps that OSFI envisages if an institution were to decline financial help. In stage one, the early warning stage, the management and the board of directors of financial institutions are formally notified by OSFI of concerns and requested to take measures to rectify the situation. Perhaps it is not as strong as we would like it to be. Therefore some directives are being issued.

In stage two the financial health of the institution has continued to deteriorate in the opinion of OSFI. At that point senior OSFI officers meet with the management and board of directors of the financial institution and with the external auditor of the institution to outline concerns and discuss remedial actions. The management and board of directors are formally notified that the institution is being placed on the regulatory watch list. That is more involvement by OSFI which perhaps at that stage is not bad. OSFI is getting more and more involved in the daily administration of the institution.

If it continues to slide it gets into stage three where the management and the board of directors and external auditor of the institution are informed of the problems. Depending on circumstances, pressures may be exerted on the management and the board of directors to restructure the institution or to seek an appropriate prospective purchaser.

That brings us to stage four. The organization is continuing to deteriorate. The government says that pressure to rectify the situation is exerted on the management and the board of directors of the financial institution with frequent meetings with senior officers. If statutory conditions for taking control of the assets exist and if circumstances are such that there is an immediate threat to the safety of depositors and other creditors, OSFI may take control of the assets of the institution for a short period.

• (1535)

While the financial institution is still solvent everything in steps one, two, three and four have taken place behind closed doors, in secrecy. They have watched the institution deteriorate. They have become more and more closely involved with the management of the institution on a daily basis. It may be that their management has caused the institution to deteriorate.

While the institution is still solvent they have taken upon themselves the authority to seize it and manage it.

I hope this is a democratic country. If it is, that cannot be tolerated. We cannot have an agency of government getting intimately involved in the daily management of the affairs of a financial institution, participating in the decline of the financial health of the institution and seizing control of the institution prior to its becoming insolvent. That is not democratic and that has to be opposed.

I stand fully behind the idea that we have solid, sound financial institutions, but I do not stand behind the idea that the government shall get into bed behind closed doors, dictate to the management of a financial institution and seize it if it does not like the proposals coming from management. Also I do not like the idea that we have rated premiums which are supposed to be kept secret from CDIC.

It is time to rethink the entire bill and talk about such things as co–insurance. The government could perhaps ensure 90 or 95 per cent of deposits up to a certain limit. At that time investors would know they have a potential exposure. Perhaps it is small but nonetheless it is exposure. In that way they would take more of an interest in their money and more of an interest in financial institutions. It is the same as the bond rating system in place for governments, for institutions and for money markets. They are rated according to financial strength, soundness, liquidity and so on. They have a rating which people know when they put up their money. The same could quite easily apply up front, above board, in the open so Canadian depositors know how well financial institutions are being run.

As far as the supervision of institutions that are falling short is concerned, Canadians need to be assured that the government is looking over their shoulders. We saw in the *Financial Post* over the weekend that the managers of a brokerage house a number of years ago are off to prison because they helped themselves to several million dollars of the company's money and mismanaged the company to the point of losing quite a number of millions of dollars.

I hope that is not the type of supervision we are looking at. I hope we will be able to monitor rather than get into daily management of the organization. We will be asking them to ensure they meet the margins they require and that the risks are not being totally ignored.

As I said earlier, Japan is now looking at $1 trillion in bad debts because they all jumped on the same bandwagon and inflated real estate to such an astronomical or exorbitant price that people were getting 100–year mortgages to try to pay for the property they were buying. The banks caused the problem. They are the ones that now have to suffer the problem. The taxpayers in Japan will be left holding the bag as they did in the United States under the Resolution Trust situation.

Let us get the situation out in the open now while it is sound and while we can see it. If warts are to grow on our financial institutions, let us watch them grow rather than wait until the cancerous growth will kill us.

• (1540)

The government could have done much more in conjunction with financial institutions to make it an open system, an accountable system, a system that would work. Then Canadians would know what is going on and would have some faith in it.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, a division on the question now before the House stands deferred until Tuesday, November 28, at the end of government business, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed from December 13, 1994, consideration of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, as reported (with amendments) from the committee; and of Motions Nos. 2 and 3.

The Acting Speaker (Mr. Kilger): When Bill C–52 was last before the House the hon. member for Elk Island had approximately two minutes remaining on debate.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I realized there were some hazards when I got into the political business, but I did not realize I would be interrupted for 349 days, almost a

year, on an important statement that I was making. Because I have so little time left I want to get right to the statement.

Bill C–52 would put into action a decision made by the previous government to establish the department and we are dealing with some amendments to the bill. I go on record as reviewing what I said almost a year ago and emphasizing as strongly as I can that I think we would make a gross error in approving some of the items in the bill unless we accept the amendment proposed by the Bloc to delete clause 16.

We run the risk of actually losing the very foundation of the economic system of the country, namely free enterprise or the private initiative to go out and get it. The government has taken it upon itself to tax everyone to death and use that money to subsidize activities that should properly take place in the private sector and, most important, to compete unfairly with it.

It is unjustifiable to force businesses to pay taxes and then use that money to provide the services the companies are in the business of providing. It is a contradiction that will destroy the economic basis of the country if we proceed. I emphasize as strongly as possible that we should not do what the bill proposes, which is to give the Minister of Public Works and Government Services carte blanche to do anything for anyone as the bill proposes, just anything that he decides, using government departments to provide engineering services, printing services, advertising services, all the services which many businesses depend on in order to provide for their employees for their very survival.

• (1545)

Instead, we have this move by the government to give the minister unbridled ability to do whatever he or she wants in terms of competing with private enterprise. That is a wrong principle.

Let us ask for some careful thought on the part of the government. Let us not wait until the other place has to be the chamber of sober second thought. Let us do some sober thinking in this Chamber and defeat this bill unless we can get the amendments for which we asked.

The Acting Speaker (Mr. Kilger): Let me commend the hon. member for Elk Island for being so patient and waiting all those number of days to close his intervention. It seems just like yesterday that he spoke on this very important matter.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am delighted to resume the debate.

When I heard my hon. colleague say this bill will somehow shake up or destroy the economic system of the nation, I think there is some exaggeration.

I heard my colleague say we are forcing businesses to pay taxes. My goodness, I think most businesses pay taxes rather willingly. Some have questioned some sections of the bill, but they have also acknowledged some of the meaningful changes that have been made.

When he suggests there ought to be sober thinking here, I hope there is thinking and that the people who are doing the thinking are sober. If that is so, it would be sober thinking.

It has been almost a year since we debated this bill, as my colleague has pointed out. With Bill C–52, an act to establish the Department of Public Works and Government Services, four common service agencies are being integrated into one: Supply and Services Canada; Public Works Canada; the Translation Bureau and the Government Telecommunications Agency. The bill has a single and simple purpose, integration. The government is setting out a solid legislative process for integrating virtually all common service agencies within one organization. The result will be increased savings, efficiency and improvement in services for government, business and, most important, the Canadian taxpayer.

Through overlap and duplication reduction, system streamlining and expertise pooling, the cumulative savings for the Canadian taxpayer will be approximately $180 million by 1997–98.

[*Translation*]

We are talking here about integrating four former departments. We are talking about efficiency and about improving services to all Canadians. We are also talking about saving taxpayers' money.

[*English*]

Under this bill, the Minister of Public Works and Government Services will have the authority to provide services in several areas, including acquisition of material and services for other departments, printing and publishing, communications and translation, real property services, including the administering of federal real estate, realty services and architectural and engineering services, acting as a receiver general, providing administrative services such as management consulting, information services audit, accounting and financial management.

The authorities contained in Bill C–52 essentially reflect those contained in the legislation of the four components of government that are being amalgamated. However, changes were made to modernize the legislative responsibilities of the department and to ensure consistency across the newly amalgamated organizations.

The Public Works Act dates back to 1867 and the Supply and Services Act back to 1969.

[*Translation*]

We are merging four former departments. We are taking into account the legislation of these departments, of course, but we are also modernizing.

• (1550)

[*English*]

Bill C–52 is about savings, efficiency, improved services. The integration of virtually all common service agencies into one department is achieving savings, increasing efficiency and improving services by reducing overlap and duplication, streamlining systems and pooling expertise. This will ensure the most efficient and cost effective delivery of our services and generate significant savings for Canadians, savings I have indicated previously in the magnitude of $180 million annually.

As a result of budget and program review decisions, the department will reduce the workforce in five years by 5,263 full time equivalent positions, or by about 30 per cent of its current population. About 85 per cent of these reductions will occur by the end of 1997–98 fiscal year.

This is about competition. The minister recognizes that more than ever the government has to be sensitive to the needs of the private sector and the real and legitimate concerns about unfair competition from the public sector. That is why the minister has moved swiftly to rectify the situation when specific examples of unfair competition have been brought to his attention.

In the case of architectural and engineering services, the minister has directed a review take place to determine the most cost effective means to deliver these types of services for the government as a whole.

A consultative committee has been established to guide this review, with representatives from industry associations and firms as well as union and government officials participating, including members of the Association of Consulting Engineers of Canada.

The minister has stated on several occasions that the department will not be allowed to compete against the private sector. This legislation will only be used by the department to support Canadian businesses to expand successfully, I might add, and to obtain a greater share of global markets, as well as to reduce overlapping duplication in all levels of government.

This bill has now the inclusion of a requirement for an order in council. The inclusion of a requirement for an order in council in section 16, proposed by the member for Guelph—Wellington, will ensure that the government obtain full direction from cabinet before the authority contained in this section is exercised and, therefore, ensuring accountability.

BUSINESS OF THE HOUSE

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 Tuesday, November 28 and Thursday, November 30 are hereby not allotted and shall not be opposition days.

* * *

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES

The House resumed consideration of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, as reported (with amendments) from the committee; and of Motions Nos. 2 and 3.

Mr. Duhamel: Mr. Speaker, this bill is a further safeguard to ensure that the government is committed to govern with integrity and will take every measure necessary to restore confidence in the institutions of government.

This bill is about public–private partnering. The Minister of Public Works and Government Services is committed to further investigation and development of a potential for partnering. He is working at building the kinds of partnerships and working arrangements which will be beneficial to the government, the business community and the people of Canada. This commitment is shared by the Prime Minister.

Bill C–52 is needed to allow the minister to fulfil his commitment to further investigate and develop the potential for beneficial public–private partnering and working arrangements as well. This bill is about the efficiency of the federation.

PWGSC is contributing to the efficiency of the federation initiatives in the area of shared government support services. Priority areas identified include infomatics, procurement and realty services. PWGSC is in the process of negotiating with the provinces and territories on shared government support services.

Bill C–52 will enhance efficiency of the federation initiatives in that it will simplify administrative processes, leading to sharing arrangements with other levels of government.

Bill C–52 is about good government and improving services. It is essential that we get on with this bill. I look forward to the support of my colleagues.

This bill is about responsible and responsive government. We have consulted extensively with the Association of Consulting Engineers of Canada, the ACEC, and have made every effort to accommodate the concerns of this special interest group.

• (1555)

[*Translation*]

We recognize that the issue raised is a very important one.

[*English*]

First, we have put forward two separate amendments to clause 16 of the bill, one at committee stage clarifying that the department would only provide services outside the federal government at the request of another level of government or private sector firm.

The member for Guelph—Wellington has now also introduced an amendment stating that this will be done only after receiving governor in council approval.

Second, the minister has directed his department to undertake a comprehensive review of the levels of out–sourcing of the government's architectural and engineering requirements. For this review, a consultative committee comprised of industry, union and government representatives has been established to provide advice throughout all phases. This study is now under way with a report expected in the spring.

[*Translation*]

As I just pointed out, we are merging departments. We are integrating, if you will, four former departments, and we are modernizing. We are responsive to the issues raised by a number of people and we are trying to be sensitive to their concerns. I believe this bill does just that.

The Acting Speaker (Mr. Kilger): Before I recognize the hon. member, I must inform the House that the hon. member, who wishes to take the floor, has already spoken on the same group of Motions, that is group No. 2, which we are debating. So, do we continue the debate?

Is the House ready for the question?

Some hon. members: Question.

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion stands deferred.

[*Translation*]

The Acting Speaker (Mr. Kilger): We will now proceed with consideration of group of motions No. 3.

Mr. Jean–Paul Marchand (Québec–Est, BQ) moved:

Motion No. 4

That Bill c–52, in Clause 17, be amended:

(*a*) by replacing line 5, on page 6, with the following:

"17.(1) The Minister may, subject to any regu–"; and

(*b*) by adding after line 16, on page 6, the following:

"(2) Before any fees or charges are fixed under subsection (1) or increased, the Minister shall cause to be published in the *Canada Gazette* and in no fewer than two leading newspapers in each province a notice clearly indicating

(*a*) the products, services, rights, privileges, regulatory processes, approvals or use of facilities provided under subsection (1); and

(*b*) the fees or charges that have been fixed or increased pursuant to paragraph (1)(a)."

• (1600)

[*English*]

The Acting Speaker (Mr. Kilger): With respect to Motion No. 5, the hon. member for Scarborough—Rouge River has indicated he will not be present and will not be moving the motion. I might add while I am on that subject that Motion No. 7 by the same member also will be struck.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.) moved:

Motion No. 6

That Bill C–52, in Clause 17, be amended by replacing lines 5 to 16, on page 6, with the following:

"17. The Minister may, subject to any regulations that the Treasury Board may make for the purposes of this section, charge for services provided by the Department pursuant to this Act or any other Act in force at the time this section comes into force."

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, this motion is proposed essentially to allow the government to be more open in its method of setting the price of goods and services. Our suggestion, basically, is that all changes involving the price of supplies, the awarding of contracts or almost anything else be published in the *Gazette* and even in daily newspapers.

Clause 17 in fact gives the government or the minister the right to change the charges for passports, for example, or for any other service the government supplies at the present time. The minister would be entitled under this section to change the set charges without notifying the House or the public in advance. All we want is for all changes to be published in the *Canada*

Gazette and in newspapers, so that people are informed and the government is transparent.

The non-transparency of government can be seen in a number of areas. Moreover, the government does not even listen to the suggestions made by the general public. For example, the preceeding clause, 16, contains the same problem as 17: lack of transparency or not being attuned to the concerns of the general public.

Where clause 16 is concerned, it is even more flagrant. It is not solely a question of publication, but is really a question of respecting private enterprise. The committee even heard representations from the Canadian Association of Professional Engineers. Engineering representatives joined with more than 12 other Canadian organizations to oppose clause 16. In fact, that group of associations was a coalition of 12 of the most important organizations in Canada, including the Canadian Association of Professional Engineers, the architects' association, boards of trade, the federation of independent business, the Conseil du patronat du Québec, and so forth. These 12 associations represent 280,000 Canadian companies opposed to clause 16. They were violently opposed to clause 16 because, with it, the minister assigns himself the power to compete with the private business sector, particularly in the areas of engineering and architecture.

In my opinion, this is an abuse of power. The hon. member for St. Boniface said that the minister had no intention of competing with the private sector.

• (1605)

However, in a letter sent to committee members, the minister himself stressed they did not intend to bid the private sector out of the market, but he did say they intended to compete. This is in fact abuse of power, because not only does the government not respect the opinion of those concerned, as in the case of clause 17, but it acts as though nothing was wrong.

After all the representations made in committee, the government fails to act on this request by the coalition of Canadian associations. The hon. member for St. Boniface said that they set up a committee to review this sector, at least as far as competition between the government and the private sector on engineering and architecture projects was concerned, but this is just another phoney committee. The federal government is very good at setting up committees that do nothing, know nothing, hear nothing and see nothing.

The committee was set up nearly a year ago. Can you believe it? In fact, the president of the coalition, Pierre Franche, told me they had yet to meet. Imagine, they have not discussed the problem. In fact, he said there was absolutely no hope for any changes, especially in clause 16. That is pretty obvious, because today in the House, the government wants to adopt the same clause tabled a year ago, without any changes.

This is not openness, and this is not necessarily listening to the general public. We can hardly say this is a government that is working very hard to meet the needs and deal with the concerns of Canadian citizens or associations. They are doing nothing. Zilch. Not one word changed.

In fact, the government's proposal concerning clause 16 is to maintain all the elements that have raised the concern of these 12 Canadian associations which represent 280,000 companies in Canada. That is a lot of people. The government did not budge and insists on maintaining this clause, while saying, of course, that no, this will not necessarily increase the minister's powers: no, the minister will not act in such a way as to establish competition with private businesses; and no, we will be on our best behaviour. This power, accorded the minister under this clause in the bill would not be abused.

Well, if government members are honest, candid, and really up front, as we hope they are, if indeed the minister would not abuse this increased power, if indeed he would not use it and if 200,000 companies in Canada oppose this clause, let the government abolish it. It should abolish it. Why are they keeping it saying they will not use it, despite the opposition to it? If they keep it, it is because, hypocritically, they want to use it.

Obviously, the government would not hang onto increased power knowing that it would not use it, despite the opposition expressed by so many responsible companies and organizations across Canada. It wants this power. And this, basically, is why the government is keeping the clause intact. What also concerns me is that any engineering industry and architectural expertise we may have in Canada is mostly concentrated in Quebec.

Engineering firms have developed admirably in Quebec. The industry is very important to Quebec. It is one of the most important ones given all the hydroelectric projects and the consultation development done.

• (1610)

Is the federal government positioning itself to set up coalitions with certain private corporations in these sectors? Does it want to set up coalitions that may compete with and even destroy other engineering firms? Could this lead to patronage? Is there a possibility of collusion to support certain policies rather than others?

This provision opens the door to abuse, to competition between the government and the private sector. I find this extremely dangerous. We have seen, across Canada and around the world, several cases in which competition between government and private enterprise is never good. This morning, we talked about Canada Post, a crown corporation that competes with the private sector in the area of courier services and mail advertising delivery, for example. This is costing Canadian taxpayers a lot of money. Do you know why the federal govern-

ment is running such a huge debt and deficit? It is because it is not really dealing with this.

I basically think that clauses 16 and 17 are unfortunate. Again, the main purpose of our motion is to ensure maximum openness, so that the general public will know exactly what the government is doing, because between you and me, Mr. Speaker, this government does not always act honestly and in a straightforward manner.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member who has just spoken really was discussing clause 16 of the bill rather than the amendment he has put before the House regarding advertising in newspapers.

While there may be some relevance and I am not arguing that, I think he has misunderstood the thrust of the amendment that has already been proposed and which is subject to a vote. Also, I think he will be well satisfied with this bill and the Canadian public will be well satisfied when we have completed the amendments that have been proposed in the House today. I think the hon. member for Québec–Est knows that perfectly well.

I would like to speak in support of the amendment I proposed to clause 17 of this bill. Clause 17 deals with the powers of the minister to fix certain charges that may apply to the various services provided by the minister's department.

The government's original intent was that the legislation dealing with the departments of public works and government services, industry, and heritage would all include an identical clause dealing with fees for the sake of consistency and uniformity. However it is recognized that public works and government services differs from the other two departments in that the focus of its mandate is internal to government as opposed to delivering government programs to the Canadian public which is the case in the other departments I listed.

[*Translation*]

The vast majority of contractual arrangements that the minister signs and that involve charging for goods or services are made with other federal agencies. Generally speaking, the department delivers common services to some 150 federal departments and agencies. These services cover a wide range of activities.

[*English*]

They include: providing office furnishings and supplies; consulting services; real property and realty services; architectural and engineering services; communications and telecommunications services; and many more. The important point is that these are essentially intergovernmental arrangements that do not impinge directly on the department's relations with outside interests.

As a result and subsequent to debate on this clause, I put forward an amendment to its wording. Under the proposed amendment, the full wording of the clause would be as follows:

> 17. The minister may, subject to any regulations that the Treasury Board may make for the purposes of this section, charge for services provided by the department pursuant to this act or any other act in force at the time this section comes into force.

• (1615)

Not only does this revised wording simplify the description of the minister's power in this area, it also more accurately describes the nature of the department and its functions. The use of the words "charging for services" rather than the original wording "fixing fees and charges" reflects the reality of the service nature of the department. It is in line with the wording found in the existing Supply and Services Act. For this reason I ask hon. members to support this amendment.

Clause 17 of this bill as amended establishes a clear, relatively simple and unbureaucratic regime for establishing charges for services made by the department. It is in line with the general thrust of the bill, which is to streamline government operations, reduce red tape and make the delivery of common services more cost effective.

However, the minister's powers in this area are by no means unlimited. One of the major constraints is that many of the services his department provides to the government are optional; that is, the client may accept them or look elsewhere for better value. This in itself is a powerful incentive to make sure the department's schedule of charges is well thought out and competitive with outside sources. Of course in establishing charges the minister must take into account the rules and guidelines of his own department, the Treasury Board, and other government bodies.

By giving the power to set charges to the minister rather than the department, clause 17 ensures the minister will be ultimately responsible to Parliament to answer any questions that may arise with regard to charges.

Mr. Keyes: As it should be.

Mr. Milliken: As my hon. friend from Hamilton West says, that is as it should be. I agree.

This being the case, members can rest assured that these powers vested in the minister under clause 17 with the amendment I have proposed will not be abused. Passage of Bill C–52 with this amendment will give the minister the legislative authority he needs to continue working for more efficiency and cost effectiveness in government operations.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak on the proposed amendments to Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts.

The four proposed amendments—now two, as two have been dropped—have been grouped together for debate. All address clause 17 of the bill. Clause 17 proposes to allow the minister of public works, subject to any regulations the Treasury Board may make for the purposes of this clause, the authority to "fix fees and charges that the minister considers appropriate to be applied to products, services, rights, privileges, regulatory processes or approvals and the use of facilities provided by the minister, the department or any other board or agencies of the Government of Canada for which the minister has responsibility, including public works and federal real property under the administration of the minister".

That is a very longwinded way of saying that the minister would be free to set fees and charges for any department services under his portfolio completely at his discretion. This amount of ministerial discretion and power goes too far and is clearly unnecessary.

This clause moves in exactly the opposite direction to where we feel we should be heading. Canadians want a bottom up system of decision making. However, proposals such as clause 17, with decisions concentrated in the hands of the minister, support a top down system of policy and decision making. Somehow the Liberals must have their signals crossed, because this is definitely a move in the wrong direction. Either they are not listening, which happens quite often, or they are hoping to slip one by the public when it is not looking. This may explain why the government has sat on this bill for so long, nearly a year, because such controversial proposals simply will not be accepted by the Canadian public.

It is not surprising that a number of amendments have been proposed to address this clause. What is surprising is that these changes are being proposed in the first place.

The first proposed amendment by the member for Québec–Est is to change clause 17 so the minister would have to publish any fee or charge increases in the *Canada Gazette* and in no fewer than two leading newspapers in each province. This notice must clearly indicate the product, services, rights, privileges, regulatory processes, approvals or use of facilities provided under subsection (1), and the fees or charges that have been fixed or increased.

• (1620)

However, this proposal would do nothing to change the intent of the clause as it stands. The only benefit, and it is a benefit, is that the public will be made aware of the changes. But the minister still retains complete discretion in the setting of fees. For this reason, this amendment is redundant and I see little cause to support it.

The member for Scarborough—Rouge River proposed an amendment and then withdrew it. The amendment had the effect that the fees and charges for government services did not exceed the cost of providing the service. The motion would have restricted the minister in how much he or she could raise fees for services. I could not have supported that in the long run, so I am pleased to see the amendment withdrawn.

The parliamentary secretary to the leader of the government also proposes an amendment to clause 17. However, I fail to see why this amendment was proposed in the first place, because it changes nothing, except perhaps the wording of a particular clause. The intent of clause 17 is the same. Fees would be set by the Minister of Public Works and Government Services at his discretion or whim, giving the minister far too much discretion, which I am not confident he can handle. I cannot in good judgment support this amendment either.

Motion No. 7 was proposed by the member for Scarborough—Rouge River and is the only amendment to clause 17 that makes any sense. Perhaps that was why he withdrew it today. Motion No. 7 would have proposed to delete clause 17 altogether. That made good sense. This amendment clearly would have had our support, because Canadians are demanding a more open and transparent system of government. They want honesty and integrity restored to our government.

Canadians are simply tired of governments that do not consult them, disregard their views, and especially governments that conduct key parts of public business behind closed doors. Yet closed door politics that allow government ministers to make random changes to fees and service charges, with no system to scrutinize and oversee changes, can hardly be considered a step in the right direction.

The Liberal government has made a lot of promises regarding open government. We often hear the term open government, but we see little action. On the contrary, we have seen quite the reverse. This is just one example of the government grasping at more power and control. When this government proposes decision making to be concentrated in one person, the minister, and conducted behind closed doors with no accountability, this is not open government. This is a step toward a more autocratic, not democratic, system of government.

The Liberals promised in the red book that "open government will be the watchword of the Liberal government". Right. It is obvious that the Liberals need to reread their book of promises. When put to the test on this government's commitment to open government, it has failed miserably again and again.

It is unfortunate to note that with the problems the government has had regarding patronage and abuses of privilege, clause 17 is certainly not appropriate. Clause 17 has no criteria in place to guide decisions to raise or lower fees. It is completely lacking in any system of checks or procedure for making fee changes known to the public.

In addition, who will scrutinize the minister's decision when fees and charges are raised or lowered at his whim? Will it be the ethics commissioner, who has been notably absent in a number of allegations of impropriety? I rather doubt it.

The government is proposing a system that will be left wide open to the possibility of abuse. That is what concerns me most with this portion of the bill. Unless the government will impose a system of checks and balances to ensure accountability, it is best not to leave the entire Department of Public Works and Government Services and all its operations open to the possibility of abuse.

Let me remind the House and Canadians who are watching that this is the same government that allowed one of its backbenchers to take money from two different government departments for one piece of equipment. In this case there was no system of checks and balances to ensure that the money was used appropriately. This is just one example of the government's irresponsibility in the managing of taxpayers' money. And now we are looking at a proposal to give the Minister of Public Works and Government Services complete discretion over rates for his department. Give us a break.

This is the same government that promised to scrap the GST. Where is it now? Right back where it was.

• (1625)

There is a definite lack of accountability. This makes it very difficult to consider giving unlimited ministerial discretion. Time and again this government has made a mockery of open government. Last session closure was invoked on several bills in an effort to hide the bills from public scrutiny.

In conclusion, Canadians will not tolerate this abuse of privilege again and again. Canadians must be allowed to participate in debate and decisions. It is time for this government to take a step in the right direction, and that is to strike clause 17 from this bill altogether.

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, the general thrust of Bill C–52 is to allow the Minister of Public Works and Government Services the opportunity within existing laws and regulations to develop the most efficient system possible for delivering common services to the government.

An amendment has been put forward by the member for Kingston and the Islands to clause 17 of the bill, which will allow the minister, subject to Treasury Board regulations, to charge for services provided by his department.

[*Translation*]

This is a simple and direct approach to price and fee setting and determination.

[*English*]

This approach reduces to a minimum the administrative time and costs involved, both to the department and to its client departments.

[*Translation*]

Another amendment to clause 17 proposed by the hon. member for Québec–Est would have exactly the opposite effect. Adopting this motion would result in substantial additional costs, a heavier bureaucratic structure and considerable delay in the price setting process for the department's services.

[*English*]

This goes directly against the grain of what the government and most members want to see; namely, more efficiency and economy in government operations and less red tape.

There is already a framework within government that ensures that any authorities granted are being executed to safeguard the interests of Canadian taxpayers. It should also be noted that the services provided by the Department of Public Works and Government Services are offered to other departments on an optional basis and not to the general public.

[*Translation*]

This means that client departments and interested agencies may either accept the department's rates or look for other ways of satisfying their requirements.

[*English*]

This in itself is a very strong incentive to the minister and the department to ensure that the rates they charge are fair and competitive with others in the marketplace.

[*Translation*]

The wording proposed by the hon. member for Kingston and the Islands is better suited to the realities of Public Works and Government Services Canada. The amendment proposed by the hon. member for Québec–Est would just create a heavier bureaucratic structure, result in higher costs and not protect the public interest any better.

[*English*]

The motion being put forward by the member for Kingston and the Islands more appropriately reflects the approach to be taken in this instance. I ask all members of the House to support it.

[*Translation*]

We must show the taxpayers that we can operate more effectively and serve them better with fewer people and less money.

[*English*]

This is essentially what Bill C–52 is all about. The new department has already demonstrated its value in cutting costs and eliminating duplication.

[*Translation*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on 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 (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:

• (1630)

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion stands deferred.

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 Chicoutimi—the Constitution.

We now move on to consideration of group 4.

Mr. Jean–Paul Marchand (Québec–Est, BQ) moved:

Motion No. 8

That Bill C–52, in Clause 20, be amended:

(*a*) by replacing line 38, on page 6, with the following:

"20. (1) Subject to any regulations that; and"; and

(*b*) by adding after line 4, on page 7, the following:

"(2) Within the first five days of every month or, if the House of Commons is not then sitting, within the first three days next thereafter that the House is sitting, the Minister shall cause to be laid before the House copies of all contracts entered into under subsection (1) since copies of contracts entered into under subsection (1) were last laid before the House.

(3) The copies of contracts laid before the House of Commons pursuant to subsection (2) shall stand permanently referred to the committee established to consider matters relating to government operations."

Motion No. 9

That Bill C–52, in Clause 20, be amended:

(*a*) by replacing line 38, on page 6, with the following:

"20. (1) Subject to any regulations that; and"; and

(*b*) by adding after line 4, on page 7, the following:

"(2) Within the first five days of every month, the Minister shall cause to be sent to every member of the House of Commons a list of the contracts entered into under subsection (1) in the preceding month that relate to a corporation or a firm

(*a*) having a place of business in the member's constitutency; or

(*b*) providing products or services pursuant to the contract in the member's constituency."

He said: Mr. Speaker, this amendment to clause 20 is once again an attempt by the official opposition to provide greater transparency in the activities of the Department of Public Works and Government Services.

We certainly understand that the Department of Public Works and Government Services has an important mandate, which is to award contracts. However, we also know that there is a lot of patronage related to that process, something that can be very costly. As you know, the federal government contracts out almost $10 billion worth of services every year. The committee which reviewed this bill was told at one point by Treasury Board that these contracts amounted to only $5 billion. Then we learned that it might closer to $7 billion. Now we know that, for all intents and purposes, these contracts amount to some $10 billion, and not all of them are necessarily justified.

Again, we were told by Treasury Board officials that, while the government is in favour of relying more on the contracting out process, as confirmed from year to year, particularly since the Liberals took office, and while that practice has indeed increased, Treasury Board has not set up any written assessment system to show effectively that this process was good for the government, in terms of money saved and increased efficiency.

Just recently, the committee heard some Treasury Board officials who showed us, through their studies, that the total value of non–competitive contracts was greater than that of competitive contracts. Just think. Contracts under $30,000 awarded by the government are not subject to a bidding process, nor is any assessment done by any independent agency or department.

In other words, all contracts worth less than $30,000 can be awarded to anyone, without any bidding. These are non–competitive contracts and, as I said, their total value is greater than that of all the contracts which are subject to the competitive bidding process.

• (1635)

I think this is outrageous, because we know perfectly well that the present government has monstrous debts. It seems to me that a responsible government would want to use every means at its disposal to ensure that these contracts with agencies that do business with the government are honest and efficient.

However, there seems to be no desire to take any initiative in this respect. The motion on clause 20 is quite straightforward. Its purpose is to ensure that all contracts entered into by the government with outside firms are published. It is certainly not too much to ask the government to publish contracts, if only to inform members of contracts entered into in their ridings. This is elementary.

It is not a matter of cost either, although the government keeps saying it would be extremely costly for the Department of Public Works and Government Services to table in the House copies of contracts entered into with outside firms. It is certainly not too costly, since the Quebec government already does this.

This mechanism already exists. Clearly, if contracts awarded by the government were published, this would be one more way to monitor the system, so there would be less patronage involved in awarding these contracts. Members of Parliament and others with access to this information would be able to draw attention to the many cases of abuse that would be easy to detect.

However, the government will not budge, it continues its policy of concealment and shows no desire to be transparent. As far as we are concerned, the kind of information we want is elementary. We want to know. This is nothing out of the ordinary. We would have this information if the government had the political will to inform the general public, but we are not even asking that. We just want members of Parliament to be informed, as is the case in Quebec. The government has rejected our request. In fact, in the past two years we have filed several requests with the Minister of Public Works and Government Services for access to this information, and we have been turned down many times.

In my opinion, this refusal on the part of government to make contracts entered into with outside firms public seems to be a desire to conceal information. It seems to me that it is not a desire for transparency, and the fact that waste and patronage may be at a very high level in this government perhaps explains why access to this information is being refused. Not only does this denote a denial of transparency and information, but it is also an obvious reflection of the desire, or lack of concern, on the part of the Government to try to really reduce waste and misspending when it comes to contracts with companies outside the government.

• (1640)

Where subcontracting is concerned, in connection with contracts of under $30,000 with no tendering process, I can personally tell you that I have met a number of people who are familiar with all the tricks used within the public service, all those readily implemented tricks that can be used to get impressive amounts out of the government, under the pretext that the contracts are non–tendered, non–competitive contracts. Shockingly high amounts have been wasted once again by these departments.

All that we in the official opposition want is to be responsible, to set up an initiative which will ensure greater transparency by enabling us to obtain the necessary information to denounce abuses and waste. This, I feel, is elementary. These are things to which one ought to be entitled.

It seems to me that the government itself, if it were really concerned about transparency and reducing waste, would have brought in modifications to ensure that those involved were better informed. It seems to me that the government is refusing things which are self–evident.

To my eyes, this is an extremely worrisome action. We can understand why the government is not reducing its deficit. We can understand that the debt is going to continue to increase. The economists are even predicting that the debt will exceed $800 billion by the year 2000. This situation is cause for alarm.

With this, the government would have the opportunity to implement measures to limit these abuses. It could even go so far as to pass an act, as my colleague from Portneuf has said, to protect public servants reporting waste within government, or to propose bills to protect private businesses which have dealings with the government, so that they too may report wastage, rigged contracts, abuses and so on. But the government does not do so.

In closing, I would like to express my wish that the government adopt this motion so as to guarantee greater transparency in contracts outside government, thus reducing waste in Department of Public Works and Government Services contracts.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to address the Group No. 4 amendments to Bill C–52, particularly the motions put forward by the hon. member for Québec–Est.

I know what the hon. member is thinking in proposing these amendments. They would allow government contracts to be placed before committees and before members of Parliament. The committees would look at them and either approve or disapprove of them. Quite naturally, this is an unworkable and unrealistic concept. It simply does not work.

We must take into consideration when considering Motion No. 8 the fact that the government enters into literally thousands of contracts over the course of a year with thousands of individuals and hundreds and hundreds of companies. To suggest that these contracts could be effectively analyzed by the government operations committee is unrealistic. Considering the sheer number of contracts in no time the committee would be simply choked with paperwork. Ultimately this would achieve nothing.

• (1645)

While I do not support the amendment I share the opinions of the member for Québec–Est, particularly those on non–competitive contracts. I share his concern in all contracts laid out by the government. It is a well known fact that Liberal governments past and present and Tory governments past and hopefully not in the future have built their party fortunes on the practice of patronage.

We can look at the who's who of business in the country and find Liberal and Tory friends, big time. We have seen time after time where Canadian companies that are well known supporters of the Liberals or the Tories end up with a multitude of contracts.

One that comes to mind since I spoke about it a couple of weeks ago is in the area of Canada Post, a crown corporation, and SNC–Lavalin. I know it is a little removed from what we are talking about. However SNC–Lavalin is a huge consortium, a huge company, a well known friend of the Liberal Party. In the last three years hundreds of millions of dollars in contracts have been let out by Canada Post. They have been uncompetitive and given with no public tender to SNC–Lavalin.

It does not take a rocket scientist to go through the political contributions over the last 10 or 15 years. Almost on an annual basis SNC–Lavalin and friend companies come up right at the top of the list as contributors to the Liberal Party. We wonder why.

I share the concerns, but to put thousands of contracts before the government operations committee, before members of Parliament, is simply unworkable and unreasonable. Let us talk about whether, if they did go before committee, the matter of committee examination raises larger issues with respect to how committees operate anyway.

The Liberals promised that committees would play a greater role in Parliament and that members would have input into the legislative process by way of their roles on the committees. What a joke.

Let us start with some of the more notable initiatives of the government when it comes to committees. One of the vice–chairs of committees is automatically given by tradition to a member of an opposition party in the House. There are two recognized opposition parties in the House. One is a federalist party that believes in Canada, that loves the country. Its power base in the last election just happened to have been in the western provinces, from Manitoba west. It was a good result for our first time out. We will wait until the next election. We will let the people of Ontario, Quebec, the maritimes and the rest of Canada determine our future.

We are a federalist party. We put forward a member's name from our party to sit as a vice–chair. The separatist party, the Bloc Quebecois, put forward a member. It is a party determined to break up the country. The Liberals had two options. One was a separatist who wants to destroy Canada and the other was a federalist who wants to keep Canada together and make some changes so that it will stay together. Who did the Liberals vote for en masse? They voted for the separatist member. In every vice–chair position the separatist member was supported by the Liberal Party.

• (1650)

The chairman of the public accounts committee is always an opposition member. The Reform Party, a federalist party, put forward the name of the member for St. Albert and the Bloc Quebecois put forward the name of a member of its party for the chairmanship of the committee. One would think the government would want someone in that position who has the interests of the future of Canada at heart. I would think that. Most Canadians would think that, but not the Liberals.

The Liberal whips were there to make sure all their committee members did exactly what they were told. They promptly voted in a member of the Bloc Quebecois, a separatist party whose goal is to break up the country, to be chairman of the public accounts committee. What a joke.

We can talk about the effectiveness of committees. Given the fact that government members dominate the committees in number, and they are the government so let us give them that credit, the effectiveness of the committee is nullified. If there was patronage going on, and I am sure there is, it would quite likely continue because the committee members would simply rubber stamp everything their party whips and powers that be told them.

We should look at how effective opposition members have been in committees and the way Liberals have bulldozed bills through committees. We need only look to Bill C–45, Bill C–64, Bill C–89 and Bill C–91 to find that the Liberals had no intention of listening to what the Reform Party or the Bloc party had to say.

When Bill C–64, the employment equity bill, was before the committee the Liberals allowed four witnesses from the Reform list to appear before the committee and debate on each clause was limited to five minutes. We are talking about a major piece of legislation the Liberals wanted to push through the House. What did they do? They sent the whip down to the committee examining the bill to give Liberal members their instructions and the bill was rammed through.

Motion No. 8 has some merit in so far as the intent of the hon. member for Québec–Est. I agree with his intent but unfortunately it is simply not workable.

Motion No. 9 would cause a list of all government contracts in each constituency to be distributed to the appropriate MP every month. This would incur a tremendous amount of cost. The Reform Party is a fiscally conscious party. It wants to see government operations decreased rather than increased. Although we agree with the intent of the motions we have to oppose them and that we will.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am pleased to rise in the House today to address Bill C–52, more particularly the proposed amendments to clause 20 put forward by the Bloc Quebecois member.

[*Translation*]

Before doing so, I would like to make a few comments. When my colleague from the Bloc referred to contracts, he forgot to mention that the number of contracts awarded in the past few years has remained essentially unchanged. True, their value has increased, but he is well aware that this is because of a number of major contracts that skewed the information. He knew this, but he did not say it.

What is interesting, is that one of the government committees, the Standing Committee on Government Operations, decided to take a look at the matter. When it called witnesses, do you know what was interesting? It was that people in the public service were already looking at this question. They were studying it because they were concerned as well. There you have it. It is quite interesting, but he neglected to mention it.

I also find it interesting that my colleague has made all sorts of unfounded accusations. He claims it is rotten, claims there is patronage everywhere and claims that we are handing out money here and there as if it grew on trees. Frankly, I find this exaggerated and unfortunate. And what about my colleague from the Reform Party?

• (1655)

[*English*]

He makes accusations too. He can make any kind of accusation. He does not have any proof. It does not really matter. The Reform Party has a lusting for power. It is lusting so terribly that it is saying some terribly silly things. It is so silly that Reformers are trailing the Tories in the polls. That is how silly it is and Canadians know it is silly. I invite them to continue to make comments. Every time they do it helps the Liberal Party. Would you stand and continue? You are doing a fine job to help us.

The Acting Speaker (Mr. Kilger): Order, please. It is not for me to slow anyone down, but I remind the member to make his intervention through the Chair.

Mr. Duhamel: Mr. Speaker, I am sorry. I was trying to speak through you to them. I shall make sure that I do so from here on in.

I will make a couple of comments as well with respect to contracts and sole sourcing. The preferred approach of the Department of Public Works and Government Services is always the competitive one. My colleagues know that. Why would they not have mentioned that?

They also know that there are good occasions and good reasons when we need to sole source. They know that. They also know that if we sole source, any supplier who feels qualified to meet the requirement can challenge the sole source award. They forgot to mention that. That is openness. That is transparency. Is it that they do not know or are they being mischievous?

It is interesting to note as well that advance contract award notices can be challenged. They are rarely challenged. What does that mean? That means that it is being done transparently. It is being done above board. I am really surprised that it would not have been mentioned.

I add as well that the House should also be reminded of other measures the Minister of Public Works and Government Services has taken to ensure integrity in the process. For example, all members of the House have been invited to subscribe to the open bidding system. I wonder if those who have been rather loquacious, vociferous and noisy today have done that.

The minister introduced the lobbyist certification clause. Do they know that? Do they know what it does? Probably not. An effective bid challenge process has been implemented in the department. Do they understand that? No, probably not. Contracting operations are subject to regular internal audits. That is another precaution. I cannot believe they would not share the positive as well as the questions they feel need to be addressed.

The Department of Public Works and Government Services holds supplier seminars across the country almost every day to make sure people are aware of what is happening. In this department small contracts are competed, contrary to the impression that was given, even contracts below the dollar threshold required by Treasury Board for competition. That was not said.

They did not talk about the transparency of the open bidding system. They have not said that for low dollar value procurements not advertised on the OBS the department uses an automated vendor rotation system which ensures equitable access to all suppliers of local commodity specific source lists of qualified suppliers, another precaution. They did not mention that 75 per cent of suppliers subscribing to the OBS have 50 or

fewer employees, which points out that small businesses take advantage of it.

We have no evidence of a trend for contract splitting in the department. The department statistics indicate a reduction in both the number of contracts under $30,000 and the number of contract amendments.

I thought we needed to set the record straight because either my colleagues have not done their work or they have done their work and choose to ignore the facts. Either one is unacceptable.

I get back to the specifics. It is my view that the amendment aims to address two issues related to the department's procurement activities: access to information on contracts and ensuring integrity in the procurement process. No one would argue that these are not worthy goals. Right now the department has mechanisms in place which address the same issues.

[*Translation*]

I am sure the members in opposition are familiar with Public Works and Government Services' efficient and rapid contract opportunity information dissemination system.

• (1700)

I am talking, obviously, about the Open Bidding System, the OBS. It is an electronic display panel providing information not only on opportunities for contracts over $25,000 for goods and over $60,000 for services, but on contracts already awarded. It provides details on the bid selected along with the name of the contractor and the amount of the contract.

[*English*]

The OBS gives its users, be they small or medium size businesses or members of Parliament, instant access to valuable information on procurement opportunities past and present.

If the goal of the member is to ensure that the system is fair, let me assure the House that many steps have already been taken by the minister and the department toward that goal. For instance, the Minister of Public Works and Government Services has taken positive steps to tighten up the manner in which the government awards contracts for advertising and public opinion research. This is a sensitive area, one in which the actions of the previous government have come under serious criticism. The minister has also moved to curb the potential influence that lobbyists could bring to bear on the contracting process.

[*Translation*]

All contracts awarded by Public Works and Government Services now include a clause requiring all firms to state that payment, in full or in part, of services rendered by all lobbyists hired to obtain the contract depends neither directly nor indirectly on the client's being awarded the contract.

In other words, conditional payment of honoraria to lobbyists is prohibited. As the result of these amendments, Treasury Board now requires all departments to prohibit contractors from paying their lobbyists conditionally.

[*English*]

If it is accountability that the member is concerned about, the function of procurement or contracting out is almost certainly the most closely scrutinized responsibility of the minister and Department of Public Works and Government Services. The contracting process is subject to the department's own rules and procedures; to Treasury Board regulations and guidelines; to scrutiny by cabinet and the auditor general; and of course, by the media and the Canadian public.

An emphasis on fair and open competition goes to the very heart of the drive for economic growth and renewal in this country. Fair competition encourages firms to strive for greater efficiency and to look for innovative ways of producing and delivering their goods and services.

[*Translation*]

These qualities are vital to the development of a strong and creative economy for Canada. It is therefore particularly important for the federal government to practice what it preaches in its own business operations.

[*English*]

By stressing competition, fairness, and openness in contracting, the government can help build a culture of excellence in this country and ensure the Canadian taxpayers get full value for their money. Passage of Bill C–52 and the creation of the Department of Public Works and Government Services will be a positive step in meeting this goal.

[*Translation*]

I will close by saying that I deplore this tendency we have of making unfounded accusations. I also deplore the tendency of exaggerating problems we have in government and I deplore the tendency of members not doing their homework before rising in the House.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 8. 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:

• (1705)

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion is deferred.

[*English*]

The next question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion stands deferred.

Motions Nos. 10 and 11 in Group No. 5 will not be moved by the hon. member for Scarborough—Rouge River and are therefore withdrawn.

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.

[*Translation*]

And the division bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the chief government whip, with the agreement of the whips of all the recognized parties, has asked that the recorded division on the question now before the House be deferred until Tuesday, November 28, after government orders, at which time the bells to call in the members will be sounded for not more than 15 minutes.

[*English*]

Mr. Boudria: Mr. Speaker, from indications given by my colleague, the House leader and his staff earlier, the House would normally proceed to the debate on Bill C–93. However, since report stage motions were filed on Friday, the 48–hour notice rule is not satisfied. We will then have to proceed with the next bill on the Order Paper which is Bill C–94.

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MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from November 21 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the third time and passed.

The Acting Speaker (Mr. Kilger): On this bill we are now at the five hour stage of debate which has entitlements for members to speak for 20 minutes subject to 10 minutes of questions or comments. Slightly over two hours are left at this stage of the debate.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I would like to address the issue in Bill C–94 concerning the removal of MMT from gasoline in Canada.

We have been told that this was a debate between, on the one hand, the automobile industry and, on the other hand, the industry that is making MMT, that is, the Esso company.

For us, on this side of the House, it is not in any way one or the other; it is purely a debate on an environmental issue, on a sustainable development issue resulting from automobile emissions that are the greatest sources of noxious gases that change the climate and against which we are fighting vigorously under the convention on climate change.

For us, the intent and the objective are to reduce as much as possible noxious automobile emissions so that we can reduce greenhouse gases.

[*English*]

The whole debate revolves around what are known as catalytic converters in automobiles. Twenty–five years ago, before catalysts were installed in automobiles, automobile emissions were far more severe than they are today. With the advent of very adverse conditions especially in the heavy automobile states such as California, New York and Pennsylvania, catalytic converters were born. To appreciate the essence of the debate on MMT, we have to appreciate what is the true function of a catalyst in an automobile.

• (1710)

A catalyst in an automobile has two main functions. One is to filter and to deter the emissions of hydrocarbons and deleterious gases. The other is to store oxygen within the converter. In modern automobiles we are now installing onboard detection systems with very sensitive equipment such as computerized sensors which permit the catalytic converters to function at their maximum efficiency.

What happens with the use of the heavy metal MMT in gasoline? It compounds the problems of catalysts in that it produces manganese oxide deposits inside the various elements of the converters. The effect of MMT over time on a catalyst today is to impair its function of providing the maximum input in reducing hydrocarbon emissions and other noxious gases. This happens gradually and increasingly as the catalyst ages.

More oxygen is accumulated inside the converter with the effect that the sensor is completely fooled by MMT in its application. Today's sensors in the onboard detection systems are prevented from working properly. The automobile manufacturers have rightly said that where there is MMT it is impossible for the new type of onboard detection systems to function properly.

Further, a big cold battle has been raging in the United States as to whether MMT should or should not be included. It will follow that even if MMT is permitted in the United States, in several states representing at least one–third of the gasoline purchases in the United States, all the heavy automobile states such as California, Pennsylvania, Wisconsin, New York and so forth, it will still be impossible to use MMT because the clean air act provides that these states must use reformulated gasoline.

This means MMT or additives containing heavy metals will not be able to be used, except under very special circumstances. It means that even if MMT were allowed in the United States tomorrow, in the several states which provide for the use of reformulated gasoline, for example, California, Connecticut, Illinois, Maryland, New Jersey, New York, Pennsylvania, Texas and Wisconsin, it will be impossible to use MMT because heavy metals cannot be used in reformulated gasoline.

The reason is very simple. When heavy metals are introduced into gasoline it is impossible to gradually change to other formulas which enable other octanes such as ethanol to be used. The quicker we ban MMT in Canada, the faster we can move into the use of alternative fuels such as ethanol and others as additives to produce a more environmentally friendly gasoline. It has been said that this debate is the auto industry against MMT, that this side has relied on the automobile industry for its input. I have gone to the trouble of speaking to scientists very far removed from the automobile industry, who have told me that unless we remove MMT from our gasoline it will not be possible for us to move toward reformulated gasoline using additives, such as environmentally friendly ethanol produced from wood and other substances; ethanol which will produce far fewer emissions, which go toward the warming of our climate.

• (1715)

For me this whole question is an environmental issue. It is very much an environmental issue. If tomorrow I have a choice to use a heavy metal, such as manganese as an additive in gasoline, and on the other side to gradually move toward environmentally friendly additives, such as ethanol and others, then for me there is no choice. Unless we take the first step, the second will never happen.

I know it has been said that the Ministry of Health has not banned MMT, has not found it noxious to health. Yet there are very severe warnings. In the last debate in this House at second reading, I quoted some very severe warnings by leading health specialists and scientists. I will not return to all the quotes I have already read, except to put the accent on one of them.

During the hearings before the United States House of Representatives committee on health and environment regarding the EPA, there was one quote that "like lead, manganese is not new or toxic. It is an element and thus does not degrade or lose its potency with the passage of time. As a result, the manganese released into the environment through the use of MMT in a given year accumulates over time with all the MMT released in the next year and all the subsequent years".

I have recently received a health report written by three scientists. It is a report headed "Developmental Toxicity of Mangafodipir Trisodium and Manganese Chloride in Sprague–Dawley Rats". It is by three scientists, Kimberley Treinen of the Sanofi Research Division of Collegeville, Pennsylvania; Mr. Tim Gray of the Alnwick Research Centre in Alnwick, Northumberland in England and William Blazak of Nycomed, Collegeville, Pennsylvania.

They studied MnDPDP, which is a manganese chelate being developed as a contrast agent for magnet resonance. They say:

> A third study, in which 15 rats/group were dosed intravenously with 0, 5, 20 or 40 XXX mol/kg MnCl2XXX on days 6–17 of gestation, produced identical skeletal malformations to those seen with MnDPDP, indicating that manganese is the active moiety responsible for these specific malformations.

Their summary says:

> In summary, the data presented here indicate that a specific syndrome of skeletal malformations in rats was induced by MnDPDP, which occurred in the absence of maternal toxicity at four times the intended clinical dose. The same specific malformations were also seen with intravenous administration of equivalent or lower doses of manganese. Since manganese has been shown to cross the placenta (Jarvinen and Ahlstrom, '75; Koshida et al, '63; Rojas et al., '67), it appears that manganese is the active tertogenic moiety in MnDPDP.

• (1720)

It appears that manganese is the active teratogenic moiety in MnDPDP.

Our health ministry has not accepted and proven conclusively that manganese is a toxic agent that should be banned. At the same time, the whole question is, if we have two alternatives, it is always a question of choice. We have two alternatives, MMT on one side, a heavy metal that is known to affect, to gum up catalytic converters. It is not used in California, which is trying to clean up its air. It is not used in New York state. It is not used in Pennsylvania or Wisconsin.

If by any chance we move to cleaner additives, to ethanol and others, then the choice is very simple for us. Let us ban MMT so that eventually we are going to produce and use much cleaner fuels.

The world is moving very fast. I am told by various scientists from the automobile side and others that the day is coming very fast when automobile catalysts will be so precise that they will be able to monitor any noxious fumes. There will be far more effective filtering agents that will be used much more effectively with reformulated gasoline, such as is the case in the states that have led the fight on this, California and others.

If MMT continues to be used, then the potential for an improved catalytic converter will not happen. The choice for us is to say let us move on, let us go along, pass Bill C–94 very fast so that Canada joins not only the United States, not only California, not only Pennsylvania but Sweden, Norway, the Netherlands, France, England and all the states of the world that do not use MMT. Why should we be the exception?

For me, this is the vote for the environment. We will vote with much conviction for Bill C–94.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I listened to the hon. member present his case. I want to make a point and ask a question.

The member speaks as if there is absolute, conclusive opinion regarding the detrimental effects of MMT. I listened to the member speak. I believe that he believes that.

The fact is that there are conflicting reports on the effects of MMT. I would like to ask the member if he has read the reports that say that MMT is not the bad additive that the report says. Has the member read both reports? Could he comment on what is his opinion of the report that supports the continued use of MMT and the effectiveness of it as a product that helps the gasoline to burn more clean and effectively? Has he read both reports?

Mr. Lincoln: Mr. Speaker, yes, I have read on both sides of the question. Yes, I know it is not a question that is totally black and white. Yes, I know that the makers of MMT can genuinely say that in some sectors it has advantages.

• (1725)

However, in all the decisions we make here nothing is exactly black or white. We have a choice. Of the two choices, one is the choice of a heavy metal with very serious potential health questions attached to it which many scientists have been flagging, as they did about lead. The same debate took place on lead. Should it be taken out of gasoline? Should it be left in because it is a very good octane enhancer? Today we would never go back. If we looked at the debates which took place I am sure there were two sides to the issue.

Eventually a choice has to be made. With me the choice is clear. On one side is a heavy metal which has potential health problems. It has been clearly demonstrated to gum up catalytic converters, which are the salvation of tomorrow with respect to the car of the future. I would like to find a way to move much faster in Canada toward other additives. It may be a bit more expensive in the beginning, but eventually we should look to other additives, just as the rest of the world is doing.

If MMT is so beneficial, why do not Scandinavia, a leader in the environmental field, the Netherlands, Germany or Japan use it?

For me the choice is very clear. In the balance of choices I have chosen to go with Bill C–94. It is the fastest way for us to use environmentally friendly fuels in Canada.

Mr. Harris: Madam Speaker, I appreciate the answer of the hon. member.

I want to key in on a phrase which he used and that was the phrase "potential health hazards". Either we have a health hazard with the use of MMT or we do not. Surely, with the science which is available to us to study the effects of a fuel product using MMT, we can determine beyond a shadow of a doubt whether there is or is not a health hazard.

The hon. member said that he has read studies which indicate that MMT is fine and that no conclusion has ever been reached that there are health risks involved with it. On the other hand, the reports and studies which came from the auto industry said that there is a health hazard with MMT and that we must stop this devastating product immediately.

I am surprised that the government is ready to jump to a decision to ban MMT without having a conclusive scientific finding. When there are two reports on the product which are at absolute opposites, I wonder what is behind the government's enthusiasm to jump in and ban MMT. It is all right to say that the sky is going to fall, but that might only be opinion. The sky may never fall.

I believe that the Liberals are playing Chicken Little with this bill. The sky is falling and MMT is going to pollute the earth. In fact, the sky has never fallen and there is no scientific evidence that MMT is a health hazard.

Mr. Lincoln: Madam Speaker, first of all, the auto industry has never made its case on the health issues. The automobile industry made its case on catalysts and sensors and the onboard detection systems in vehicles. That was its case.

With respect to the case on health, I produced several quotations during second reading and I have them here. I did not obtain them from the automobile industry.

• (1730)

The fact is that several very learned and respected scientists have said beware, there is a potential problem with manganese. To say that it does not exist is to negate some very important opinions that have been expressed.

Following the earth summit in Rio, which my friends on the environment committee will know, sanction is now one of the basic principles of any environmental law as a precautionary principle. Do not wait until everything has been proven conclusively before we act.

When Rachel Carson wrote a book about DDT she was thought to be crazy. And look at what DDT has done while we waited for conclusive proof.

At one time we were using PCBs and we thought they were good for the environment and for equipment in transformers. We found out too late how deleterious it is to the environment. We used lead as well, and thought it was great until too late we found out what happened.

As I said to the member, if there is a choice to be made, do we choose a heavy metal that can produce problems or do we use a clean additive? The choice is very clear to me. On the basis of the precautionary principle and on the basis of all I have read, I am voting very convincingly for Bill C–94.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, the Bloc Quebecois has decided to propose an amendment to Bill C–94 at third reading, because we know that the American agency EPA will table a report on the issue shortly. As my colleague of the Reform Party said earlier, we believe that it is important for us to also look at studies that will be published at the international level, because our friends opposite enjoy saying in committee that the environment knows no boundaries. This is why I move the following amendment:

That the motion be amended by deleting all the words after the word "That" and substituting the following:

"Bill C–94, An Act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese–based substances, be not now read a third time but that it be read a third time this day six months hence."

[*English*]

The Acting Speaker (Mrs. Maheu): We are verifying the validity of the amendment.

The hon. member has taken debate time. We now have a 10–minute period of questions and comments.

Mr. Geoff Regan (Halifax West, Lib.): Madam Speaker, I am pleased to speak on Bill C–94, which is now before the House.

In the bill the government is taking a decisive step toward protecting the environment, jobs, consumers, and keeping our country at the leading edge of automobile technology. All are very important goals.

Bill C–94 will prohibit the import and interprovincial trade of MMT, a manganese based fuel additive manufactured in the U.S. The proposed bill, to be known as the manganese based fuel additives act, will come into effect 60 days after it gains assent.

Canada is one of the few countries in the world that use MMT. It is very rare in the world these days. The U.S., for example, banned it from use in unleaded gasoline in 1978. It is remarkable that it did it so long ago and we still have it in Canada.

• (1735)

Some members opposite have cited a recent U.S. court decision in favour of MMT as a reason to stop this legislation. But MMT will still be banned in California and in those states that require federal reformulated gasoline to be used. What is more, we have yet to see whether the U.S. government will repeal this decision.

We are taking this action because we need to protect the latest onboard diagnostic systems that Canada's car makers are installing in their new vehicles. These systems are extremely important for the environment. They are responsible for monitoring the vehicle emission controls and for alerting the driver of malfunctions. Without that kind of technology one cannot be aware of how well the car is working or if it is not functioning at all in terms of its emission control processes. They ensure that the cleaner burning engines of today and tomorrow operate as designed. They ensure that automobiles are properly maintained, resulting in decreased tailpipe emissions and improved fuel economy. In other words, this is one more important tool to help us address air pollution, including smog and climate change.

This government will not allow MMT to get in the way of the automobile industry's effort to make cars cleaner and more efficient and less polluting. Canada's environment and Canadian consumers have the right to the best anti–pollution technology possible. Yet Ethyl Corporation, the manufacturer of MMT through its subsidiary Ethyl Canada, denies the vehicle industry allegation about the ill effects of MMT on the vehicle emissions

control systems. In fact it makes a counter claim that MMT is environmentally beneficial.

All this is somewhat fuzzy. What is certain is that efforts to reduce motor vehicle pollution can no longer be addressed by just the petroleum industry, the auto industry, or the federal government. Progress at reducing vehicle pollution requires simultaneous action by all. The petroleum industry needs to keep making improvements in the composition and properties of the fuels engines burn. The auto industry needs to keep making improvements in the vehicle emissions control systems and technologies, such as those offered through onboard diagnostic systems. The government needs to take decisive action in Bill C–94, which removes a major obstacle to the introduction of these technologies. That obstacle is MMT.

Our strategy to reduce vehicle pollution goes beyond just taking action on MMT. The government is doing its part because we know that automobiles are a major contributor to climate change and urban smog as well as some toxic pollutants like benzene. In fact in a recently released task force report done by Canada's deputy ministers of environment it is noted that even with the improvements in emissions technology, vehicles are still the largest contributors to air pollution.

I must say that troubles me. I as a member of Parliament, and I am sure many of my colleagues, have to travel a great deal throughout my riding and often I am the only person in the vehicle. There are times when I feel uncomfortable about that. I know that it is important that I get around my riding, get around to different events, be seen and hear people's concerns. Yet I also know that I am driving a vehicle a lot more than I would like to be driving it. Unfortunately, my riding is too big to go by bicycle. It would take me forever, but it would certainly be great for my health. This issue does trouble me. We should be concerned about the impact of automobile emissions as they impact on the environment and air pollution.

On a national basis, gasoline and diesel powered vehicles still contribute some 60 per cent of carbon monoxide emissions, 35 per cent of nitrous oxide emissions or smog, 25 per cent of our hydrocarbon emissions, and 20 per cent of carbon dioxide emissions. These vehicles, gasoline and diesel powered, are very big contributors to our smog and pollution problems.

This report I just referred to stresses the need to proceed on all fronts at the same time in all of these areas. It states the following: "Vehicle technology and fuel composition, although two separate industry sectors, must be treated as an integrated system in the development of policies and programs in order to successfully reduce emissions from motor vehicles". This is good advice. It should complement our work in preparing our comprehensive motor vehicle exhaust emission standards.

• (1740)

To meet these standards, we are counting on integrating improvements achieved in emission control technologies and fuels. However, clearly we cannot hope to meet these standards without the kind of action we are taking against MMT in Bill C–94. And it is not simply an act of impatience. Since 1985 the federal government has waited for the automotive and petroleum industries to resolve this situation without legislation. It was not resolved. The time for waiting is over. It is now time for the government to act.

Last October the Minister of the Environment urged both the petroleum and automotive industries to voluntarily resolve the issue of MMT in Canada by the end of 1994; otherwise, the government would take action. This deadline was subsequently extended in February of this year to review automobile and petroleum industry proposals. The MMT issue is no longer an industry dispute. Its outcome can affect the vehicle emissions programs we are putting into place. In the long term it could also negatively impact on the automotive sector. Successful resolution of the MMT issue will ensure that environmental benefits are realized through the use of the most advanced emission control technologies. We have to move in this direction.

Members opposite have claimed that this legislation will have an enormous financial impact on the petroleum sector. However, let us be prudent and realistic. The economic impact of removing MMT will be small, not enormous. Estimates for the industry, an industry that involves many billions of dollars, range from $50 million to $83 million per year, which means an additional cost to consumers of 0.1 cents to 0.24 cents per litre at the pump. This is less than one–quarter of a cent per litre at the pump.

Some have said that taking MMT out of our fuel will increase benzene. That is not so. It is nonsense. Gasoline can be refined without MMT and without increasing levels of benzene. Any effort to increase benzene levels or benzene precursors will not be tolerated under the Canadian Environmental Protection Act. In fact this past summer the Minister of the Environment announced that benzene levels would be regulated at a maximum of one per cent per volume. So there is nothing to fear. Let us move ahead. Let us do it, because we need new emission control technologies like the onboard diagnostic systems. We need them to help achieve reductions in smog, carbon monoxide, and hydrocarbons. We need to reduce these kinds of emissions because they have an influence on climate change and urban air quality.

This is good legislation. It is good for consumers and good for the environment. All 18 automobile companies in Canada agree, even if the Reform Party does not, that we are moving in the right direction.

I urge all members to give their support and swift passage to this bill.

• (1745)

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, as we said in the motion, we are not asking for the bill to be withdrawn altogether but to be postponed for six months. The environment is of course a very important matter, and we support any measures that have a positive impact on the environment and that are environmentally viable.

However, as far as Bill C–94 on the abolition of MMT is concerned, we are not convinced it is a good bill. If we consider what has been done with respect to manganese, including tests by the automotive industry, the tests now being done by independent laboratories were ordered strictly by Ethyl Corporation which, on the basis of its tests, has demonstrated that MMT does not in any way affect the components of the antipollution system in automobiles.

I also wonder what the automotive industry is doing in this respect. If studies have already found that MMT causes pollution in the components of the antipollution system, why have these tests not been published? Did they actually do any tests? Do they intend to or did they never do any at all?

When I look at the government's position in this respect, is it possible that the government was pressured by the automotive industry lobby to the extent that it felt obliged to table this bill? It is quite possible. I do not want to accuse anybody, but we all know that there are two major lobbies here in Canada. The oil company lobby and the automotive lobby. As it happens, all the automotive industries are in Ontario, not far from the environment minister's riding. Maybe that should give rise to some questions.

However, the U.S. automotive industry is only beginning to test this product. The purpose of our amendment is for us to wait until they get the results of those tests before we make a final and definitive decision, because legislation is definitive. We must have some kind of proof and nobody has proven anything yet, not even Health Canada. The Parliamentary Secretary to the Minister of the Environment said earlier—he read it, by the way, because it is in *Hansard*—that as far as health is concerned, tests have shown that there is no threat whatsoever to health.

I believe that the Parliamentary Secretary to the Minister of the Environment made a mistake a while ago when he mentioned that manganese was a toxin. I am sorry, but if it were considered a toxic product, we would not be here considering a special piece of legislation such as Bill C–94 to ban it, because it would be covered under CEPA, the Canadian Environmental Protection Act. This means that any product considered toxic is automatically included under CEPA. This is not the case here. Manganese is not a toxic product since we have to enact a specific legislation to ban it. There has been a slight error which I wanted to point out and correct.

We have heard about a recent ruling in the United States, which I believe to be very important. The Ethyl corporation has been working for years to keep on manufacturing and marketing its product. Very recently, a few weeks ago, a ruling ordered the EPA, the Environmental Protection Agency, the American equivalent of our Department of the Environment, to lift the ban on MMT.

• (1750)

In the United States, even the Environmental Protection Agency tells us when we call that it does not know if it is going to appeal, that it does not think so. We are told that this product could be reintroduced in the United States as early as the beginning of December. So what is the rationale behind Bill C–94?

We are also told that 50 per cent of American refineries are ready to use this product and cannot wait to do so. So if 50 per cent of these industries are ready to use MMT, again what is the rationale behind Bill C–94?

In the environment committee, we are always talking about harmonization, about trying to make the environment an international concern. I totally agree with that. Yes, I have said many times that we have to avoid duplication and conflict and yet, with Bill C–94, we are creating a conflict with our neighbours, the Americans, who are a bit more powerful than we are.

So we are going to eliminate MMT from the market and ask all our refineries to transform their system, at a cost of several million dollars, because they will not be able to use MMT any more, and we may well have to reintroduce it in six months. It makes absolutely no sense at all.

What we are asking is not that the bill be withdrawn, but that we wait and see what happens in the United States. We are also asking to see the tests being done right now by the U.S. automotive industry, and I have the feeling that these tests will be performed a little bit faster than the ones scheduled to be done in Canada, because we will not be able to watch them. Once we have these results, we will have a complete, concrete and logical overview of the issue, and in six months' time, we can revisit the bill and make a decision based on logical arguments.

We are going through tough a period, in our economy, where we cannot afford to make mistakes. We are out of money. We are going through some hard times. Are we going to ask refineries to completely modify their process simply to achieve what we set to do as far as MMT is concerned? I know that MMT is an additive. But we are also talking about other additives now available on the market, such as ethanol. As you know, we have yet to see complete and concrete evidence that ethanol is neither toxic nor hazardous. We may realize one day that ethanol is not that good for the environment.

I am not against the introduction of products like ethanol, but why should we replace manganese, MMT, which has been thoroughly analyzed for 15 years and has not been proven to be dangerous? On the contrary, it even helps to reduce the greenhouse effect by 20 per cent.

I am not saying that we should keep this product forever or that the bill is not good. What I am saying is that the product is now being reintroduced on the American market and that we should wait six months to see what the EPA will do or what studies the U.S. automotive industry will produce on this product before we make a logical and reasonable decision on this issue.

[*English*]

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Madam Speaker, if the minister is lucky, her Bill C–94 banning gas additives will stall before it backfires.

An innocuous–sounding piece of federal legislation supposedly aimed at reducing auto emissions has left critics wondering whether the Liberal government hasn't inhaled one noxious substance too many.

The bill we are debating, the manganese based fuel additive bill, would ban a gasoline additive called MMT.

Environment Minister Sheila Copps has made the rather dramatic claims that the move will make auto emissions 600 percent cleaner, while saving car buyers an average of $3,000 on the next family clunker. Unfortunately for all, there is considerable evidence that the issue is made up of equal parts of clean air and the hot variety.

A growing number of critics of the legislation—including provincial environment ministers in Alberta, Saskatchewan, Quebec, Nova Scotia and New Brunswick—fear a ban on MMT may actually cause a dramatic increase in choking tailpipe filth, while causing higher gas prices.

MMT has been added to Canadian gasoline since 1977, primarily to increase octane levels.

• (1755)

It was mentioned that it was banned in the United States. That is not particularly the case. It was never really approved because of some early concerns and then it got involved in extensive court battles. Specifically, it was never banned because it was seen as a dangerous substance; it just never received approval.

The alternative is enhanced oil–refining, at greater cost to the petroleum companies and, inevitably, consumers.

Of course that would involve other additives, which may also prove eventually much more harmful than MMT was ever contemplated to be. There is also evidence that MMT may significantly cut smog–producing nitrogen oxide emissions, or what we commonly call NOx.

But the automobile companies claim MMT gums up their emission–control warning systems, possibly causing the malfunction indicator lights on the dashboard to malfunction. If drivers don't know they have a problem with emission control, the industry argues, they will unwittingly be poisoning the air even more than usual.

The alternative of fixing the cars instead of the fuel, according to the federal environment minister, would increase the average car price by $3,000.

One official spokesman for the minister said that "On this particular issue, the evidence she has seen—has provided her with enough to get this bill through cabinet and the House". The cabinet dealt with this in a far too cursory manner.

That so–called "evidence" is contained in four separate reports—three written by various automobile lobby organizations, the fourth at the request of General Motors. No surprise; all concluded MMT was pretty terrible stuff.

As it happens, there are a few other studies floating around. Health Canada, for instance, concluded MMT poses no particular health risk.

I recall looking at my vitamin bottle, and manganese is on the vitamin pill list. It is a matter of trace amounts or whatever. The studies that were quoted by the parliamentary secretary talk about giving rats an unusual amount of the concentrated substance. I would think that any vitamin given in a disproportionate amount is going to cause some deleterious effects to a living organism.

Another mega–study was conducted over a five–year period for the U.S. Environmental Protection Agency, which, until recently, had placed a total ban on MMT additives in gasoline. It was not permitted. The results of the study, in part, last month led the U.S. Court of Appeals to order the environmental agency to approve the use of MMT in unleaded gas.

We are waiting for December 5, which is the cut–off date for any filing of appeals. Certainly the motion before the House today would accommodate that wait and see approach to see how the world is generally going to move on this item.

The U.S. court ruling also blew the engine on the minister's argument that, as a trade issue, it was vital to harmonize Canadian and U.S. standards on MMT.

One effect of the U.S. court ruling is that it compelled the American automakers and petroleum industry to launch a new joint study into MMT and the whacky warning lights.

Given the amount of conflicting evidence presented by both sides, the five provincial environment ministers have suggested Copps put the brakes on her pet legislation, at least until the U.S. joint study has been completed.

Even within the Liberal cabinet, we are told, some ministers seem concerned that Copps' determination to ram the MMT legislation through has more to do with her personal political agenda (e.g., saving face) than practical environmental considerations.

Copps's rhetoric on this issue has been so forceful, retreating from the legislation now would produce more political egg than she has face to wear.

Fortunately for her, there is a graceful way out. The Commons is expected to prorogue some time next month, meaning this session of Parliament will be officially declared dead, along with all unpassed bills. In the meantime, the bill still has to go to the Senate, which, if Copps is really lucky, will tie up the bill till prorogation do it part.

• (1800)

This anti free trade bill should die. I think MMT is about to be used around the world. Many countries are not using it now because it is not being used in the United States. They are watching what will happen in the United States. If the American industry begins to use it, many countries are ready to follow suit.

The EPA will be completely out of the picture on December 5. The government should be embarrassed about this bill. It knows it and we know it. Let common sense prevail.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Madam Speaker, I want to rectify a few things that have been said by previous speakers.

I think reading from a newspaper article to show that the minister is only pushing Bill C–94 forward as a project to save face is nonsense. The minister believes, as I and the Liberal government do, after much thinking and cogitation and the several weeks of discussion the bill has undergone, that for us it is the best choice.

There are two choices. MMT could be left in, riding on the back of the Ethyl Corporation which both the Bloc Quebecois and the Reform Party quote very extensively. The Ethyl Corporation has done a great lobbying job with the members. I am happy for the Ethyl Corporation that some members are convinced. At the same time, there is an issue of choice, an issue of whether we keep a heavy metal, which is what MMT is, in our future gasolines and cars, or whether we try to move toward more environmentally sound fuels.

I heard the Bloc Quebecois member question whether ethanol will one day be found to be just as bad for the environment as lead or something else is today. I would suggest that she read the testimony made before many committees of the House on ethanol and that she consult with people involved in the ethanol industry. Perhaps she should consult with those who crafted the clean air act in the United States. It was amended so that in the future more and more ethanol would be used because of its cleaner properties. The scientists are very clear that ethanol is a cleaner fuel because it is derived from natural, biological properties. Obviously, it is not a heavy metal.

When I referred to manganese as a toxin I was quoting from studies of scientists who referred to it. A statement was made by the United States House of Representatives Committee on Health and Environment at the EPA hearing on June 22, 1990. Reference was made that like lead, manganese is not only neurotoxic, it is an element, et cetera. We are talking about neurotoxic in the generic sense, not in the sense of the Canadian Environmental Protection Act. We are talking in a generic sense.

I will quote other scientists from the University of Pittsburgh, Western Psychiatric Institute and Clinic at the same hearings: "The page 15 appendix to their waiver application"—talking about Ethyl Corporation—"that deals with health nowhere mentions the neurotoxic properties of manganese".

The Department of Health and Human Services in the United States stated: "MMT can be absorbed through the skin and probably readily by the nose and lungs". Obviously they are talking in a generic sense about a heavy metal.

Perhaps the Bloc Quebecois critic should check with the deputy minister of the Department of the Environment.

• (1805)

[*Translation*]

In a letter dated July 7, 1995, the minister said that they were thinking of supporting the Canadian position on MMT in order to maintain the uniformity of car fleets and to take advantage of the environmental gains that will be made possible by the new motor vehicle emission control technologies.

The Quebec Deputy Minister of the Environment wrote to his federal counterpart that they were thinking of supporting the Canadian position on MMT in order to maintain the uniformity of car fleets and to take advantage of the environmental gains that will be made possible by the new motor vehicle emission control technologies.

This, of course, was denied in a November 2, 1995 letter from the Quebec Minister of Natural Resources, who disagrees. In any case, it is interesting to note that they agreed from an environmental point of view. It is clear that this issue has two components. We could argue, like the Reform critic, that once MMT is accepted in the U.S., the rest of the world will follow.

[*English*]

There is no evidence of that. There is no evidence that the Netherlands, Germany, Sweden, Norway, Finland, Denmark or Japan, environmentally conscious countries, would join in because a court case was won by the Ethyl Corporation in the United States.

Certainly the EPA opposed the court case all the way along. The Environmental Protection Agency of the United States also pointed out that several states of the United States would not be able to use MMT because they were using reformulated gasoline so that they could clean up their own air emissions faster.

It is a stalling tactic to try to kill the bill, to produce another amendment that is exactly the same as the amendment we defeated very fairly the other day. There was a similar amendment on second reading to defer it for six months and we defeated it. That is the democratic process. I am sure the same result will greet this amendment.

Mr. Forseth: Madam Speaker, certainly stalling has been basically our position all along because of the appeal situation in the United States. Our position, which was purported to support the MMT bill, has been well pointed out in the House and at committee.

When I began to cross–examine some of the evidence at committee, for instance the sparkplug evidence, it turned out to be fake. I demolished the testimony of the person who had the nerve to come to the table and put forward evidence that turned out to be completely erroneous.

That is why the government has been very reluctant to agree to independent third party testing. It has rejected that down the line. However I understand some groups are getting together in the United States to have independent third party testing to be able to remove the pressure of lobby groups.

Certainly our party has not been siding with any particular lobby group. Right from the beginning we have been asking for independent third party tests. My colleague asks who stands up for science. We wonder about the government and what lobby groups it is supporting.

The delay is to see what will happen in the United States and certainly this is an ill advised bill that should die.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

• (1810)

The Acting Speaker (Mrs. Maheu): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed 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.

And the bells having rung:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, a division on the question now before the House stands deferred until November 28 at the end of government business, at which time the bells to call in the members will be sounded for not more than 15 minutes.

Mr. Boudria: Madam Speaker, in view of the time of the day which leaves very little time to commence a new order I suggest that we call it 6.30 p.m.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

THE CONSTITUTION

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, on November 7, the Prime Minister announced that a ministerial committee had been set up to review the whole question of constitutional and administrative changes to the Canadian federation. It is strange though to set up such a committee, whose mandate and schedule remains unknown, even as we speak.

It is strange also that this committee is made up only of federal ministers, when everyone knows full well that the real decision makers in that regard are the provincial premiers. I for one believe that this committee was struck just for the Prime Minister's satisfaction, to give him something to say, or else to distract momentarily from the poor performance during the referendum.

How can this committee have any credibility when some of its members have gone out of their way to trample on Quebec. What can be said about the Minister of Justice, who was looking for legal means to prevent Quebecers from voting again on their future? And what about the fisheries minister who invited thousands of Canadians to act in violation of the Referendum Act? What about the Minister of Canadian Heritage who will not recognize that Quebecers are a nation? What about the Minister of Citizenship and Immigration who, when he was a member of the opposition in this House, voted against a government proposal which recognized, among other things, the distinct society in the Meech Lake Accord?

And what about the Minister of Intergovernmental Affairs who, when answering the question I put to him on November 8 about the mandate of the committee, simply said, and I quote: "Our committee will also look at non constitutional measures, so as to not overlook any means to make our federation more effective"?

Yet, by giving such an answer, the minister admits his helplessness. The measures which will be considered are non constitutional measures. How can such measures come up to the expectations of the Quebecers? Again, it is a committee established to do away with the legitimate expectations of the Quebecers.

[*English*]

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Madam Speaker, on November 8 the member for Chicoutimi asked the Minister of Intergovernmental Affairs about the mandate of the cabinet committee on unity.

The minister replied that the committee was going to look at all the possibilities for constitutional and administrative changes in the federation.

The member further asked if the minister could inform the House whether the committee would look at options, such as a resolution to recognize Quebec's distinct character, as well as a bill on regional referendums.

The minister responded that the commitments made by the Prime Minister during the campaign concerning a distinct society and constitutional veto for Quebec will be fulfilled.

[*Translation*]

The initiatives announced today by the Prime Minister represent a ground breaking and effective way of achieving a major constitutional objective without reopening the Constitution, since Lucien Bouchard and the PQ government have stated clearly and repeatedly that they were not interested in constitutional change.

Our legislation on the right of veto ensures that we will not make any constitutional change Quebec does not want. We must not let the intransigence of Lucien Bouchard and of the Quebec government impede the adoption of non–constitutional changes, changes the people of Quebec and of other Canadian regions are looking forward to.

[*English*]

The results of the October 30 referendum have shown the clear desire of Quebecers to remain within Canada, a country that they have helped to build into the tolerant, compassionate society we know today.

At the same time, the referendum has signalled that Quebecers and many other Canadians are looking for changes within the federation that will make the government more responsive to the needs of Canadians.

[*Translation*]

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, this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.17 p.m.)

HOUSE OF COMMONS

Tuesday, November 28, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 21 petitions.

* * *

[*English*]

CANADA REMEMBERS

Hon. Lawrence MacAulay (Secretary of State (Veterans), Lib.): Mr. Speaker, on November 6, 1993 I had the privilege of announcing the Canada Remembers program. There have been literally hundreds of events commemorating events that led to the end of the second world war.

I had the privilege of leading a number of pilgrimages through Italy, France, Belgium and Holland. Indeed they were very touching events.

I remember standing outside Belgium with a number of Canadian veterans and marching into the city. In the city the people were singing "O Canada" and their greatest desire was to touch a Canadian veteran.

In Vlissingen, the Netherlands over 100,000 people came to say thank you to the allied veterans.

• (1005)

The most touching event for Canadian veterans was in Apledoorn where between 300,000 and 500,000 people came to say thank you to the Canadian veterans.

Now I have the privilege of leading a delegation to the far east, to Burma, Singapore, Hong Kong and Japan. In 1941 about 2,000 Canadians of the Winnipeg Grenadiers and the Royal Rifles left Vancouver for Hong Kong. More than one–quarter of these veterans died either on the battlefield or in prison camps.

About 10,000 Canadians served in the far east during the second world war, and over 1,000 paid the supreme sacrifice. We will be visiting a number of those graves in commemoration of these people. We will also be visiting memorials in Rangoon, Singapore and Yokohama. These memorials bear the name of the Canadian veteran who has no known grave.

In 1995 when we are looking ahead it is so important to look back to 1945 and really understand what price was paid for freedom and democracy. This pilgrimage is the last event for the Canada Remembers program. There have been so many events throughout this country from the largest provincial organization to the smallest community organization, all of which did nothing but add to the knowledge and the great respect we have for our Canadian veterans. These people can be justly proud and I thank them very much.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I am pleased to speak this morning on behalf of the Bloc Quebecois concerning the pilgrimage to the far east, which will be undertaken later this week by the secretary of state, along with several parliamentarians and a group of veterans. The purpose of the trip will be to provide the veterans with the opportunity to honour the memory of their fallen comrades in Commonwealth cemeteries in Hong Kong, Burma, Singapore and Japan.

It is important for the vital role played by our veterans in the defence of freedom to be properly commemorated, particularly this year, which marks the fiftieth anniversary of V–E Day. We have already had a number of opportunities to recall to mind the selfless sacrifice of the men and women to whom we owe our heritage of freedom and democracy. This morning I would like to again express our gratitude to all of those who laid down their lives, and all those who were prepared to lay down their lives, in defence of that cause.

Such was the price of our allegiance to the values of democracy and peace and it is precisely because our young servicemen shared those values that they fought to uphold them throughout the world. More than 100,000 young Quebecers and Canadians lost their lives during the two world wars, and many hundreds more in Korea and various peacekeeping operations.

Today, we want to honour, more specifically, the war effort of our veterans in Hong Kong and other parts of the far east during the second world war. Ten thousand fighting men and women served there, and nearly a thousand did not return home. As the secretary of state rightly pointed out, the war effort in the far east was primarily an air war. The battles there were vital to the triumph of freedom and democracy.

Our soldiers were actively involved in reconnaissance, transportation, fighter and bomber squadrons. RCAF air crews and ground crews supported Commonwealth land forces in the war in the Pacific. We want to express our heartfelt gratitude to them.

This pilgrimage is one of a number that have been made to different parts of the world, particularly Europe, where Canadians and Quebecers helped liberate Belgium, France, Italy and the Netherlands. The celebrations for V–E Day were particularly emotional.

• (1010)

The significant loss of human life and the horror of the suffering of our veterans in the far east, including all the members of Canada's troops of Chinese or Japanese extraction, must not be left to fade with time.

This heritage must be passed on to the very young. We are therefore delighted to learn that four young people will take part in the pilgrimage. They are at the same age that the veterans were when they left to defend our freedom.

The Bloc Quebecois is pleased to support this initiative.

[*English*]

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I was 13 years old when the second world war ended; 9 when the Japanese bombed Pearl Harbour and the war in the Pacific commenced. Young as I was, with an aunt, an uncle and a cousin already in Canada's armed forces, Pearl Harbour impacted strongly on my family and on me.

For the men of the Winnipeg Grenadiers and the Royal Rifles the overwhelming numbers of Japanese attacking Hong Kong made the battle short but the ensuing years in prisoner of war camps long and arduous.

Overworked, underfed, exposed and vulnerable to tropical diseases and without adequate medical care, almost as many died in those camps as had been killed in the fight.

History tells us that the Japanese met their strongest resistance where men of the Royal Rifles and Winnipeg Grenadiers held the ground.

More than 500 of those who sailed for Hong Kong did not return. Those who did suffered abuse and deprivation which would affect them for the rest of their lives.

In the air, whether flying the hump in transport aircraft, in bombers carrying the fight to the enemy or in fighters defending our forces against enemy air attack, the Royal Canadian Air Force made a vital contribution to the successful resolution of that war.

I was delighted to see on the list of 40 veterans whom we will accompany on this pilgrimage the name of a pilot with whom I served during my career in the air force. Until I saw his name among the veterans I had no idea he had flown in that campaign. He is not one to trumpet his accomplishments. We have not seen each other for many years and I look forward with great anticipation to meeting him again. I look forward to meeting and coming to know all these veterans who gave so much for Canadians and the world during that difficult time.

The year 1994 marked the 75th anniversary of the end of the first world war and the 50th anniversary of events leading to the end of the second world war. The year 1995 has seen ceremonies commemorating events late in the war and finally victory in Europe.

This pilgrimage on which we embark tomorrow will visit cemeteries where Canadians lie in Burma, now Myanmar, Singapore, Hong Kong and Tokyo.

I will take great pride in joining our veterans of those campaigns as we pay tribute to their many comrades who made the ultimate sacrifice and did not return.

* * *

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Mr. Cliff Breitkreuz (Yellowhead, Ref.) moved for leave to introduce Bill C–360, an act to amend the Members of Parliament Retiring Allowances Act (deduction re other income).

He said: Madam Speaker, I thank my colleague, the hon. member for Prince George—Peace River, for seconding the bill.

It is a pleasure to introduce my private member's bill which calls for amending the Members of Parliament Retiring Allowances Act. Members opposite know how the Reform Party and indeed the overwhelming majority of Canadians feel about the rich MP gold plated pension scheme.

My private member's bill proposes to introduce an MP pension clawback which would apply to former parliamentarians. It would work on exactly the same principle as the old age security clawback applies to senior citizens. Former parliamentarians earning more than $53,215 in the private sector would have a portion of their MP pensions clawed back.

It is time for this kind of legislation. Canadians are calling for legislation which reflects fairness from their elected representatives.

• (1015)

I ask members from all parties to give serious consideration to this bill.

(Motions deemed adopted, bill read the first time and printed.)

* * *

ACCESS TO INFORMATION ACT

Mr. Bill Gilmour (Comox—Alberni, Ref.) moved for leave to introduce Bill C–361, an act to amend the Access to Information Act (crown corporations).

He said: Madam Speaker, my bill will make all crown corporations subject to the Access to Information Act. These would be corporations like the post office and CMHC. At present, these corporations are exempt from access to information even though they are subsidized with tax dollars. This bill will open corporations to the public and make them more accountable to Canadians.

(Motions deemed adopted, bill read the first time and printed.)

* * *

PARLIAMENT OF CANADA ACT

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.) moved for leave to introduce Bill C–362, an act to amend the Parliament of Canada Act and the Canada Elections Act (confidence votes).

He said: Madam Speaker, this bill if enacted would amend the Parliament of Canada Act and the Canada Elections Act.

It would end the uncertainty over when our general elections would be called. Provisions in this bill would call for the general elections to be held every four years. This would in no way contravene our Constitution. No constitutional amendments are required because the Governor General still has the authority to determine whether or not that election shall be called.

There are also amendments to the Canada Elections Act that would clarify when a byelection would be called. It would ensure that in constituencies where members no longer represent their constituents because they have either been appointed to the Senate, as we have seen in the past, or they have passed away, timely byelections would be called on fixed dates.

Provisions in this bill would come into play if there was a crisis thus giving the bill the flexibility to be very usable.

I ask that all members of the House give serious consideration to this bill. If the bill passes, we would know that the next general election would be held on October 20, 1997.

(Motions deemed adopted, bill read the first time and printed.)

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. This particular petition has been signed by a number of Canadians from Waterloo, Ontario.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

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, or the aged.

* * *

QUESTIONS ON THE ORDER PAPER

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Madam Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

• (1020)

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statement, government orders will be extended by nine minutes.

GOVERNMENT ORDERS

[*Translation*]

SMALL BUSINESS LOANS ACT

The House proceeded to the consideration of Bill C–99, an act to amend the Small Business Loans Act, as reported (with amendments) from a committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): I will now read the Speaker's ruling.

[*English*]

There are six motions in amendment standing on the Notice Paper for report stage of Bill C–99, an act to amend the Small Business Loans Act.

[*Translation*]

Motions Nos. 1 and 2 will be grouped for the purposes of debate. The vote on Motion No. 1 will apply to Motion No. 5.

[*English*]

Motions Nos. 2, 4 and 6 will be grouped for debate. A vote on Motion No. 2 applies to Motions Nos. 4 and 6.

[*Translation*]

Motion No. 3 will be debated and voted on separately. I shall now put Motions Nos. 1 and 5 to the House.

MOTIONS IN AMENDMENT

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 1

That Bill C–99, in Clause 1, be amended:

(*a*) by replacing lines 24 and 25, on page 1, with the following:

"(*d*) ninety per cent, or such other percentage as is fixed by the committee of the House of Commons that normally considers matters relating to industry, of any loss sus–"; and

(*b*) by replacing line 1, on page 2, with the following:

"(*c*) or, where a percentage is fixed by the committee described in this paragraph,".

Motion No. 5

That Bill C–99 be amended by adding after line 32, on page 4, the following new Clause:

"4.1 The Act is amended by adding the following after section 7:

7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of paragraph 3(1)(*d*), fix the percentage of any loss that the Minister is liable to pay."

—He said: Madam Speaker, thank you for your co–operation. Our set of amendments consists of three groups. There are six amendments, and I will now speak to Group No. 1, as agreed.

In this first group, there are two elements that reflect the spirit of our amendments. One concerns the change in coverage now provided under the act. The government currently guarantees 90 per cent of loans made under the Small Business Loans Act, but that same government now wants to cap coverage at 85 per cent.

The other aspect concerns our role as legislators, in Parliament and in committee. In clause 1(1)(*d*), and we will get back to this later on, the government's share will be prescribed, and we feel that is wrong. To get back to the loan guarantees provided under the Small Business Loans Act, which will be reduced from 90 per cent to 85 per cent, a difference of 5 per cent, this means the government is in a way backing out, is reducing its contribution to this legislation, and this increases the lender's liability by 5 per cent.

• (1025)

The implications of this measure, although not dramatic, are nevertheless very serious, because there is a message here for small lending institutions, especially in Quebec, where there is a credit union in every town. Since the risk to the lender increases, small lending institutions that do not provide more than 10, 15 or 20 loans per year may think twice. We fear that this may cause bank managers to be more cautious, to be psychologically inclined to direct loans to less risky businesses, because the lender will, in theory, still run a greater risk.

This, in our opinion, will cause banks to favour less risky businesses. This runs somewhat counter to the economic development needs of our society, which is increasingly focused on high–tech companies in preparing for the future. These companies represent a risk in themselves because, as we know, contrary to traditional businesses, high–tech companies often have nothing to reassure lending institutions because their operating strength is based on their owner–managers' knowledge and expertise, on intangible values, and not on the usual buildings or facilities.

Reducing government coverage indirectly penalizes high–tech companies, which represent an extra risk for the banks. This has already been clearly identified as a problem during the industry committee's proceedings, because we know that the banks are generally reluctant, perhaps with good reason, to finance these high–tech companies.

This, we also fear, will penalize new businesses without any experience or history that have not yet proven themselves. These businesses represent an extra risk for lenders. Reduced coverage will make it harder for them and for the banks to accurately assess the situation, since any banker knows that lending to a new, unproven business without annual statements for the previous years will make the matter even more difficult.

Perhaps I should have pointed out earlier that we should keep in mind that what this bill implies comes from the last speech of the finance minister, in which he suggested rather strongly that the Small Business Loans Act program should be self–financing.

This is an expression of the current political will. We members of the Bloc Quebecois realize that this is a legislation, a small business assistance program with a price. In 1993, bad debts that had to be absorbed by the federal government totalled $32 million and, with the envelope growing from $4 billion to $12 billion, losses could rise to $100 million.

There may be food for thought here, serious thought. That is what the official opposition has in mind in suggesting that, before amending this act to limit its scope and introducing concepts such as self–financing, a cost–benefit analysis should be conducted to identify the benefits arising from this legisla-

tion. We need to know at least how many jobs are created, what the government's tax return on its investment is—since the loss incurred as a result of the implementation of this act could be likened to an investment—and what indirect taxes are created by the implementation of the act, taxes that otherwise would not have to be paid.

So, before the scope of this act is restricted, we in the committee would have liked, and that was part of our recommendations, to see a cost–benefit analysis. Unfortunately, the government did not follow our advice and is now going ahead by reducing, as we can see, coverage by five per cent.

• (1030)

The other aspect of Group No. 1, which is also found in Group No. 2, relates to clause 1(*d*), and reads:

> Subsection 3(1) of the Small Business Loans Act is amended by striking out the word "or" at the end of the paragraph (*a*) and by replacing paragraph (*b*) with the following:
>
> (*d*) eighty–five per cent, or such other percentage as is prescribed—

It is that "as is prescribed" provision that we object to and that we oppose. As you may have noticed, the official opposition—we all do—feels that the role of parliamentarians, including that of Parliament as legislator and that of the committees, is neglected and belittled. This bill should be a good opportunity to enhance the role of parliamentarians and committees, and this is why we condemn the fact that the government intends to resort to regulations.

All the polls show that we must enhance the role of elected representatives. We were elected through a democratic process, we have things to say, and we all represent our constituents. We are here to express their views. Yet, the system relies less and less on the expertise and sensitivity of parliamentarians. If we are not the ones who can influence decisions, then who can? It is the bureaucracy, the lobbies and those who have money, as the current Quebec premier so accurately pointed out in his review of the referendum results.

Given how much money circulates in our economic system, it is easy to see the power of money. That is confirmed once again. Indeed, if the government does not work openly with the institutions that we represent, than it works on the sly and resorts to its authority. With that provision, we will only find out after the fact that the government decided to change its coverage. By resorting to regulations, if the government wants to ensure self–financing and realizes that implementing the act is too costly, it can simply decide that its coverage will no longer be 85 per cent but, rather, 80, 75 or 70 per cent, without any discussion. All of us here will simply be put before a fait accompli, and that is not good for any self–respecting democracy.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I listened attentively to the member for Trois–Rivières. Quite frankly, there are some points the member makes that are quite valid. I would like to dwell on the first point for a couple of minutes, and that has to do with the reduction in the government's liability from 90 per cent on the small business loan guarantee to 85 per cent.

Last year the government liability for the Small Business Loans Act float was approximately $100 million. That is what it cost. Effectively, what we are doing with this amendment to the bill, which the Bloc does not support, is reducing the liability from $100 million to $95 million. In other words, by lowering the exposure of the government we are going to save $5 million.

The member for Trois–Rivières makes a very interesting point. Will that five per cent threshold cause banks to not look as hard or take as much of a chance with those smaller, more innovative, knowledge based firms? I am not sure that it will not.

• (1035)

Two weeks ago we heard in the industry committee that the small business float for all banks in Canada was $28 billion, a one per cent increase in the float over the year before. The banks of Canada that make loans under the Small Business Loans Act were guaranteed, prior to this legislation, 90 per cent of that loan by the crown. The float right now is around $4 billion to $5 billion. If we deduct that Government of Canada guarantee to the banks on those loans, then effectively we have not had a real increase in the small business loan activity in this country in the last two years.

We have to be very careful. I am not going to support the member's motion to reduce the crown's exposure. The member from Trois–Rivières wants the government to go on the hook for another $5 million. I am not going to support that. Because of the pressure from the Reform Party, our government is on a fiscal obsession with the deficit and the debt. I hope this path will head to a quicker economic recovery. I share the view of the Bloc member for Trois–Rivières that we are going to have to be vigilant, because if we lower the government guarantee to the banks we may see a lot of good opportunities go by the wayside. The banks might not come to the party. We need small business going full throttle in the country.

I think the member's motion gives us an interesting concern, which we register. However we must at the same time balance our responsibility with reducing the cost of managing the program to the taxpayer. We will try it, and if we see that the activity on the Small Business Loans Act does not continue at the same rate or if there is not the same action on the Small Business Loans Act, then as a committee and as a government

we can ask the minister to reopen the file. However we must give it a chance in the interest of fiscal restraint and make sure the bill is focused on cost recovery.

I must say that the member for Trois–Rivières has done a fabulous job in the industry committee in the last two years. Instead of his party being called the Bloc Quebecois, I wish they were called the Bloc Canadien. If they were called the Bloc Canadien, then imagine the thrust we could get going in the House and the stimulation to the economy.

• (1040)

Who knows, once the current leader of the Bloc Quebecois moves to Quebec City perhaps we will get a conversion going and the Bloc can become the Bloc Canadien. I sense there are a lot of members in the Bloc who really do by and large share some of the values and some of the things we all aspire to in the House for all of Canada.

The second part of the member's point is about giving the industry committee the authority to amend this bill. That would be equivalent to changing the whole system of government. We all know our system of government gives the Prime Minister and his cabinet the executive responsibility to put legislation forward. We members of Parliament have the ability and the opportunity to provide input and to amend, as we are doing here today.

The reason we do not have any motions being put forward today by the Reform Party is because the motions and ideas of the Reform critic for industry were accepted in committee and have become part of the bill. It is not as if members of Parliament do not have the—

Mr. Penson: It was the first time.

Mr. Mills (Broadview—Greenwood): No, it was not the first time. We have accepted many of the good ideas of the member from Okanagan.

The point I am trying to make is the government would not abrogate to committees of the House its executive responsibility. The member for Trois–Rivières is asking the executive of the Government of Canada to just give its executive responsibility to the industry committee. We could not support such an idea, because ultimately the Prime Minister and the cabinet, the government, are responsible.

Mr. Hermanson: They call the shots.

Mr. Mills (Broadview—Greenwood): That is right. We can have input, but that is the way we are governed in this country and that is the way it will have to stay.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, it is a pleasure to rise in the debate on this very interesting motion. In some ways it sounds very good in principle. In another sense, I have great difficulty with it.

I would like to review some of the provisions of the Small Business Loans Act itself and what it is doing. I noticed the hon. parliamentary secretary to the Minister of Industry alluded to the exposure of the government and the liability that is incurred on behalf of the government for the people of Canada under the Small Business Loans Act. It is rather substantial. Last spring the $4 billion ceiling was increased to $12 billion, which is a threefold increase. It is very interesting that at that time the government's liability was 90 per cent of that $4 billion, which works out to about $3.6 billion. That costs roughly $100 million a year in terms of the non–payment or the defaults on various loans.

The current amendment proposes to reduce the liability for the $12 billion ceiling to 85 per cent, which still means a liability for the government of approximately $11.2 billion or $11.3 billion. If that proportion of $100 million goes with a $4 billion ceiling, this could now go to $300 million with this new ceiling, which is pretty substantial. We have to be very careful about this.

We have to recognize that Professors Haines and Riding did a very interesting study about small business loans and what happens. The cap of the individual borrower under the Small Business Loans Act is now $250,000; it was $125,000. The ceiling or the size of the business has increased. It was limited to any business that had $2 million or less of sales on an annual basis. The new ceiling goes up to $5 million.

• (1045)

It is very interesting what this study of Haines–Riding showed. It showed that businesses below the $2 million ceiling had a default rate of somewhere between 7 per cent and 8 per cent. Those with sales between $2 million and $5 million had a default rate of 14.7 per cent, which is much greater.

We can see the exposure under the new provisions, under the new ceilings, are rather interesting because they increase the risk to which the government has exposed itself.

To combat that the bill comes forward and says that there will be an administration fee. As we all know there is a 2 per cent registration fee right off the top which is added to the principal. Then there is a 1.75 per cent fee in terms of cost to make the costs of defaults and various other administrative items recoverable. It was not good enough that it resulted in a $100 million loss. That has been increased by another 1.25 per cent which means a total of 3 per cent. The 1.25 per cent can be recovered in only one way and that is through interest rates.

The earlier situation was that the Small Business Loans Act used the prime rate that could be increased by 1.75 per cent. It went up to 6.75 per cent. Now it is 3 per cent above prime, which means that we will probably run the new small business loans under that provision.

To give us the context of what is happening, the liability of the government is increased under the Small Business Loans Act by about 300 per cent over what it was before. It is our responsibility as elected representatives of our constituents to protect their interests. If we are exposing their risk from $4 billion to $12 billion, it should not be delegated to the executive council of the government. It should be the responsibility of parliamentarians in the House of Commons.

The bill had the provision that it should be delegated to the executive council. We proposed an amendment. The hon. parliamentary secretary referred to the amendment in his presentation a few moments ago. It was accepted by the committee. It has now been taken out of the bill so that parliamentarians have control over fixing whether it will be 90 per cent or any other percentage. It is a real positive move for democracy.

When I look at the amendment before us I notice that it has been adulterated because it is neither fish nor fowl at this point. It is being proposed that parliamentarians in the House of Commons should not have control but the committee should have control. Admittedly the committee is made up of parliamentarians elected from all parties represented in the House. They are elected representatives of the constituents.

However when we are talking about $12 billion it is a lot of money. I do not think a committee should have the authority to make those kinds of decisions on behalf of Parliament. If we thought the executive council should not have that kind of power, it is much less that a committee of the House should have the authority.

While the direction of giving authority to the people is a good one and while the intent is noble, the way it is being proposed will not achieve what we really need. We need to recognize that as representatives who have been elected by the people we represent them in a threefold way. First, we represent them because of the party we are a member of that presented the candidates to the people. They knew we were to present certain things. I appreciate the parliamentary secretary's statement that gave us credit for the fact that the Reform Party is here to bring about an awareness of the fiscal responsibility and the need to get our house in order financially. That is absolutely superb. We need to do that.

• (1050)

The difference I have with the hon. member opposite is that it is not an obsession. That is a reality. That is something we have to come to grips with. It is high time that we do it just as soon as we can. If truth is an obsession it is time we were all obsessed because truth is what we need. That is the first point.

As we represent our people we have another responsibility to detect very clearly what they feel about certain kinds of issues. They want a voice and they have told us clearly that we have to get our financial house in order. That was not a mandate that we in the Reform Party said we would have, but the people told us quite independent of it being a Reform platform that it was what they wanted us to do.

Second, as representatives we actually go out and represent the people in what they think. Finally, we apply our best judgment to ordinary everyday housekeeping items where we do the things that have to be looked after.

This is a very critical and important issue. To put this into the context of only a one–industry committee is not enough. The whole House of Commons is involved in financial issues of major import affecting small business, the engine that generates about 85 per cent of new employment in Canada. It is the issue.

Also that group, especially the high tech group, is bringing about innovations to make our economy grow. There is no question that today we will move faster and faster not because we are so smart but because we bring about new innovations, new applications of new knowledge. That is what we need to do. The small business component is the absolute number one component in the economy that will help Canada grow to where it becomes a truly competitive industrial nation in the world. That is where we need to move.

I appreciate the opportunity the motion has given me to express some ideas although I oppose the motion not because we do not need to deal with small business and not because we do not need representatives of the people but because the method is wrong.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, it gives me great pleasure to enter the debate at report stage of Bill C–99, specifically Motions Nos. 1 and 5 brought forward by the member for Trois–Rivières.

I was interested in the member's speech. He discussed the need to defend lenders. It seems unusual to me. Sometimes when I look at the Small Business Loans Act the question that comes readily to mind is why the Government of Canada has to encourage and guarantee lending to small business, which is the obligation of our financial community.

I was very surprised to hear the member defending moving the guarantee from 90 per cent to 85 per cent. He defended the potential liability for another 5 per cent on these loans to lenders. The banks of the country have reported something in the neighbourhood of $1 billion worth of profits. It is apropos that as legislators and parliamentarians we are concerned about the small and medium size business communities and where they fit.

The question could well be why the guarantee is at 85 per cent. The intent of the legislation is to recognize a liability exists for the Government of Canada in terms of these loans. As far as I can understand, the guarantee has been amended to 85 per cent basically to allow more lending to occur. The growth in the SBLA program has been remarkable. In that sense it has been very successful in channelling investment loans to small and

medium size businesses. By leaving the guarantee at the 90 per cent level, loan losses could well exceed $100 million a year.

• (1055)

As we have heard from the hon. member from Okanagan the government is committed to reducing our expenditures and our risk to loss. He spoke about a maximum liability of something in the neighbourhood of $12 billion. That is erroneous. That kind of risk would be like giving somebody an $85,000 mortgage on a $100,000 house and expecting to lose the entire $85,000. Most of the small business community could look at that situation and realize it is an unrealistic assumption.

Most of the loan loss provisions that have resulted in losses to the government are somewhere in the neighbourhood of 2.5 per cent. That is not unreasonable in the lending business, which gets me back to my original question of why we cannot encourage our financial institutions to be more aggressive in lending to small and medium size businesses rather than require the federal government to guarantee the loans.

The hon. member mentioned a number of other issues, not the least of which was investment in new and emerging technologies. Certainly that is a good point. The history of the loans has been that they are used for capital additions to small and medium size businesses, basically equipment, real estate and so on. The aspect of new technology still befuddles the investment community generally. We need to look for new and different types of sources of capital for small and medium size businesses. I suspect small and medium size businesses and the SBLA program do not look to this source of capital to finance emerging technologies.

About a year ago I had the opportunity to tour the Royal Bank. I talked to some of the portfolio managers and listened to their concerns about emerging technologies. I still believe that the financial community has not come to grips with how to deal with emerging technology. It is still very much focused on the concept of security, based on what it was doing 10 or 20 years ago, looking for hard assets as security for the loans.

The most prevalent asset was real estate. I do not have to tell my colleagues what has happened in the real estate industry in the last five years. The banks, in an effort not to be burned twice, are getting back to using real estate as a security item, which has compounded the problems of small and medium size businesses. The banks are refusing to enter even traditional markets because they do not know from where they will get security.

Through the Small Business Loans Act the government has attempted to inspire financial institutions to come forward and lend to small and medium size businesses. Most businesses will be smaller, based on some of the changes to the act. When we are talking about sales of $5 million and so forth a lot of people in the riding of Durham do not think that is small business; they think it is big business.

The changes to the SBLA will allow it to be more focused on genuine small businesses. The question is how big businesses occur. They occur from the emergence of small businesses that are allowed to grow within the system. The Small Business Loans Act has really been a hand up for some small businesses. As the hon. member for Broadview—Greenwood suggested, it may well be the only hand up that exists between the financial sector and small and medium size businesses.

• (1100)

The second part of the motion deals with the possibility of having the industry committee approve changes in the guarantee aspect of these provisions. One thing that small business needs is flexibility and rapidity in decision making.

I question whether it is in the purview of the committee system to undertake this sort of review process knowing the heavy workload the committee constantly has in this place. I also question whether it is within the competence of the committee to make those kinds of decisions.

In order for the committee to change these kinds of guarantees it would need rapid and up to date information about the experience of loan losses. It would have to be able to understand emerging tendencies within the lending business.

I really question whether it would be a service to small and medium size businesses which would find a great lag in being able to have a flexible relationship with the government. I think the government is attempting to be very flexible in allowing this plan to emerge and foster support of small business.

In conclusion, I am opposed to both of these motions for the reasons I have mentioned.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The vote is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare Motion No. 1 lost. Therefore, Motion No. 5 is lost as well.

(Motion No. 1 negatived.)

The Acting Speaker (Mrs. Maheu): We will now proceed to Group No. 2.

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 2

That Bill C–99, in Clause 1, be amended by replacing line 25, on page 2, with the following:

"Minister the annual administration fee fixed by the committee of the House of Commons that normally considers matters relating to industry,".

Motion No. 4

That Bill C–99, in Clause 4, be amended by replacing lines 25 and 28, on page 4, with the following:

"paragraphe 3(4)(c)(i), the time when the annual administration fee fixed by the committee referred to in section 7.1, is payable;".

Motion No. 6

That Bill C–99 be amended by adding after line 32, on page 4, the following new Clause:

"4.1 The Act is amended by adding the following after section 7:

7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of sub–paragraph 3(4)(*c*)(*i*), fix the annual administration fee or the method of calculating the annual administration fee."

• (1105)

He said: Madam Speaker, I realize these amendments are rather technical and dry but they are nevertheless important, and they take the same approach as the amendment we introduced earlier when we condemned the use of the word prescribe and the whole regulatory process and mechanism it entails.

However, before I continue, I would like to thank the parliamentary secretary for his kind words, which I appreciated. I want to return the compliment, because I think we should realize the parliamentary secretary to the Minister of Industry is not only a very good parliamentarian but also an outstanding asset to our work in committee.

I would also like to comment on what he said about establishing a bloc canadien. In fact, in the forties there was a "bloc populaire" to defend the interests of Quebecers. In the nineties, and English Canada is not about to forget it, we saw the birth of a bloc québécois. To continue the musings of the parliamentary secretary, we might see the birth of a bloc canadien very shortly in Canada, after Quebec becomes sovereign, a bloc that would be foster the best possible relations with a sovereign Quebec, including an economic and political partnership, which we support because it is sensible, it is the way to mutual respect between good neighbours and recognition of the equality of the two peoples here in America, different from the United States, different from Europe, who represent certain cultures, since Canada is also a distinct society on this planet. If there is enough good will on both sides in the months and years to come—and our contribution to the industry committee is a good example of that—we will be able to work together for the well–being and prosperity of our respective peoples.

I would like to comment on the remarks of my colleague opposite, who expresses surprise at the spirit of our amendment on the reduction of government coverage, in which we wanted to protect lenders rather than borrowers. I think we have to face the fact lenders are reluctant when it comes to small business. That is the reason for a small business loan act. We know there is a reluctance and that the government wants to keep the legislation but distance itself from it by reducing its coverage. I think this will be to the detriment of what is increasingly the motor of economic development: the small and medium business, the SMBs. This is why we are being very careful in this. We want to ensure the continuation of the coverage currently offered to the more vulnerable small borrowers, the ones threatening to lenders.

So, getting back to the spirit of this second bloc, it is to reinforce, as mentioned earlier, the roles of parliamentarians. In any civilized society, as ours claims to be, where there is representation by election, I believe there has long been a certain malaise over the role of those elected to Parliament. The role of parliamentarians is becoming more increasingly insignificant. And I think this is one of those times when we are reminded that things could be done differently. Over the course of several decades, the public service has progressively become heavy, especially at the top. As was mentioned earlier, the executive branch assumed a great deal of power, and while Parliament is certainly a place for debate, it has very little power, and that is what we are condemning and want to change. There is also continuity.

I think that anyone who has seen the Bloc Quebecois at work in the various committees can appreciate the logic underlying our remarks and contribution, in ensuring, rather like I am doing this morning, that parliamentarians have greater power to influence the decision making process so that the public interest remains first and foremost, at the expense, if need be, of other interests, which, as you know full well, have other ways of making themselves heard.

• (1110)

Earlier, I heard the parliamentary secretary criticize our amendment proposal, saying that, should coverage be reduced, as we in the official opposition are concerned it will, the industry committee will make appropriate representations to the Minister of Industry to have this issue reviewed. That is not much, in terms of power.

This means that, when a problem is reported, the industry committee will come to agreement and quietly make representations to the minister, asking him: "Would you please stop doing this, Sir; you are hurting our constituents". Parliamentarians certainly do not have much power, in such instances.

This is what we deplore and want to change by introducing an amendment which, as we can see, has unfortunately not garnered unanimous support in this House. Even the Reform Party is not very keen on our proposal. This is unfortunate because it discredits our role once again, given what that role should be. This is not only the case in the Parliament of Canada, but in all British legislatures where, over the decades, elected representatives were gradually stripped of certain powers because of the size of the bureaucracy, to the benefit of technocrats, who want to work behind closed doors. It goes without saying that it is easier to resort to regulations and orders in council.

I remember the debate on Bill C–88 dealing with internal trade. It provides that the federal government can, through orders in council, take action against the party deemed at fault. Using orders in council means that there is no public debate. It means that we cannot even discuss the issue on behalf of the province deemed to be unco–operative or at fault. The elected representatives of that province would not even be allowed to make public representations, because the issue would have been settled through an order in council. This, in my view, is rather ominous. This is why we moved these three amendments, which essentially seek to eliminate the use of regulations and replace it with a committee decision. More specifically, Motion No. 6 seeks to add a new clause 7.1, which reads:

> 7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of sub–paragraph 3(4)(*c*)(i), fix the annual administration fee or the method of calculating the annual administration fee.

As things now stand, the minister is keeping this power for himself without too much consultation and is being very discreet about it. So much the better for those who will be aware of that, and too bad for the others.

Instead of that, it is possible to rely on the existing political structure, and to proceed in a manner which is more transparent and more public. This is what we hope to achieve with these amendments.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I have always been an advocate that members of Parliament can play a meaningful role in amending or designing legislation in the House of Commons. Therefore, I do not share the view of the Bloc member for Trois–Rivières. It is important that we explain to Canadians how as individual MPs we can have an impact on the system.

If I have a particular view of how the Small Business Loans Act should be amended, then I should sit down with colleagues on both sides of the House and develop a consensus. Quite often when we can get a consensus it has always been my experience that unless it is something that really upsets the fiscal framework of the country most ministers accept good ideas from their parliamentary committees.

• (1115)

I have never experienced a situation in which a minister who had constantly ignored the advice of his political confreres on a constant basis whether in the House, in committee or in caucus still succeeded as a minister. I have never known ministers to succeed if genuine requests from MPs to their departments are ignored. If they are ignored it is the MPs' fault.

Mr. Strahl: Ask the Minister of Justice if he listens.

Mr. Mills (Broadview—Greenwood): I presume the hon. member is talking about gun control. The Minister of Justice did listen. This was a balancing act he had to perform. He had to make a very tough decision. Do we think for a minute the Minister of Justice did not balance in his decision making process the difficulties rural members were having versus the concerns urban members had?

An hon. member: He ignored them completely.

Mr. Mills (Broadview—Greenwood): The judge is out on whether he ignored rural MPs or whether this situation will succeed in gun control. That is a fair example. It was a tough decision.

By and large on ideas not as controversial, when we get a consensus ministers tend to listen.

It is very important that we take notice of the Bloc's point on the control the bureaucracy has in this community. I have been working around this town since 1979. I came here as a young political assistant, not a bureaucrat. I was amazed at the way the bureaucrats, the public servants, operated and managed departments within government. We call it the machinery of government.

I had a terrific experience working in the Prime Minister's office for almost four years. I was amazed even in that office when we wanted things done the public service had this capacity to actually control the tempo of implementation. I coined an expression back in 1981 called the MAD treatment, maximum administrative delay. They were good public servants. It was

just part of the culture. It was part of the thought process that even though the political will wants a particular policy implemented, before we actually put it into the factory and implement it we must do further analysis. We must check this and we must check that. The delay was enough to drive one nuts.

The member for Trois–Rivieres has given us a very important point on which we must be ever vigilant. Those of us who are elected and accountable have to make sure the things approved in the House are implemented and not steered off and done in a way the bureaucracy thinks should be done.

I do not share the member's view when he says we do not have an opportunity for input. I think we do. If we are passionate about our ideas and we get support from other colleagues usually they can be implemented.

• (1120)

It is not always easy. I could give a personal example and pass it on to the members opposite on the whole issue of tax reform. I have been working on the issue of tax reform for six years, the single tax system.

I was hoping that with 50–odd members from the Reform Party who apparently believed in tax reform we would have much more energy in support of the notion of comprehensive tax reform, but that has fizzled. Obviously I have not done a good enough job on that issue in convincing other colleagues we need comprehensive tax reform. We are not talking about it enough, debating it enough or selling it to the rest of the decision makers in the Chamber.

An hon. member: Convince the Minister of Finance.

Mr. Mills (Broadview—Greenwood): We cannot simply convince the Minister of Finance. This is where we go to the member for Trois–Rivières' point about the technocrats, the bureaucrats. What we really should be doing is lobbying as elected men and women. We should lobby the finance department.

How many members have taken the time to go to the finance department, sit down with a senior bureaucrat and talk to him or her about their ideas for tax reform? Those public servants cannot refuse to see elected members of Parliament.

Mr. Strahl: They do it to me all the time.

Mr. Mills (Broadview—Greenwood): If they are refusing to see the member, he should go to the minister. They do not refuse to see the lobbyists so I cannot imagine a public servant refusing to meet with a member of Parliament. I find that crazy.

If a member tells me of any public servant who refuses to meet with an elected person I will stand up in the House and we will talk about it. Even before I will, the Prime Minister will go berserk. As someone who has been in nine different government departments, the Prime Minister understands the public service is there to implement the political will of the approved legislation in the House. If there is resistance to it, it is our fault to allow the resistance.

I appreciate the comment from my colleague from Trois–Rivières that we should be ever vigilant as we deal with the public service in the way it manages some of these pieces of legislation we approve in the House. However, I do not share his view that members of Parliament cannot have a substantial role in amending and designing legislation. For that reason we will not be supporting this motion.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I am pleased to debate the motions placed by the Bloc. I listened to the eloquent defence of Parliament by the previous speaker. I wondered why in his eloquent defence he would be opposed to the idea that Parliament make the decisions regarding the levels of the fees and so on charged within Bill C–99.

The member also told us about how difficult it is to get through the civil service, how difficult the bureaucracy is to move and the challenges we as members of Parliament face in achieving these things. Yet he gave no indication whatsoever that he was prepared to recognize these decisions should be made right here on the floor of the House rather than some back room by some unelected, unknown bureaucrat we cannot even find much less influence as far as making these decisions.

Mr. Mills (Broadview—Greenwood): Madam Speaker, I rise on a point of order. I would like to humbly correct the member because I did not in any way, shape or form say the elected people in the House do not have an influence on the way bills are designed and approved.

• (1125)

Mr. Williams: Madam Speaker, I advise the member that decisions regarding the level of fees should be made right here on the floor of the House. We should not be delegating the authority to some bureaucrat who is nameless, unelected and unknown, who advises his minister that he thinks they should vary or increase the fee and the minister does it. This is how the bill reads.

The Bloc is trying to change the motion so that a committee of the House would make that decision in lieu of the minister by order in council.

Unfortunately we cannot support the motion by the Bloc even though we feel the decision should be made right here on the floor of the House because unfortunately the Bloc does not understand the rules of the House. Committees do not make decisions. All committees can do is report back to the House. Committees do not have the authority to make legislative decisions.

Any motion approved on the floor of the House is not legislation by itself. It is only an expression of the House. We only approve legislation. We cannot initiate legislation through a committee. That is where the Bloc is totally misinformed and cannot understand the rules of the House, which leads me to the question of separation. When Bloc members want to separate from the rest of the country they have no understanding of the process. The referendum they had in Quebec last month was ruled illegal by a court in their own province, and yet they proceeded with the referendum anyway.

We now find they do not understand the rules of the House, where they expect committees to make legislation. It is little wonder we have a party that cannot understand how to enjoy life within the confederation and would rather head off on its own. I am concerned for the people of Quebec if they are to be led by a group with no concept of how to live within a set of rules.

Getting back to the legislation and getting back to more relevance, we want to see decisions made by members of Parliament. We do not want to delegate the authority to the minister who acts on the advice of some bureaucrat. We want to see the minister make up his mind and bring a proposal to the House in the form of legislation. We look at it, debate it and vote on it. If it is approved that is fine, but we do not want to give him a carte blanche to vary the rules at his whim without debate, without the public at large realizing what is going on. That is why we have to oppose the motions proposed.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, it gives me great pleasure to once again enter the debate on Motion No. 6.

I listened to the hon. member for Trois–Rivières talking about how different Quebec and its people are from the rest of the country. The Small Business Loans Act shows us very realistically how we are all similar. The problems of small and medium size businesses whether in Montreal or Chicoutimi, Oshawa or Vancouver are very much the same. Small and medium size businesses have difficulty obtaining access to capital.

Clearly it is important for us as a country to look at as big a market, as big a capital access as we possibly can and to assist small and medium size businesses. What are we talking about here? Ultimately, we are talking about jobs and the ability to create jobs.

● (1130)

I was very interested recently to read a summary by the Quebec Manufacturers Association that stated that Quebec is the least attractive jurisdiction in Canada in which to do business. This is not something that has been created by the federal system; it is something that has been created within the province of Quebec. I addressed some manufacturers from Ontario this week and asked them how we could assist our fellow business people within that province to overcome some of the problems of high wage structures, high interest rates and so forth that the manufacturers of Quebec are having which means an inability to create jobs in that province.

This motion deals with the ability of making the administrative changes to acts within the purview of the committee system. What we have to do is ask ourselves what our role is as parliamentarians. Psychologically, it sounds very good to say that we should be involved with every decision of government, possibly every change in the Income Tax Act, possibly every idiosyncracy or change in the Environmental Protection Act, fee structures that are administered by Canada Post. There are all kinds of administrative actions that occur on a daily basis.

When I practised as a chartered accountant I had a list of complaints, and I agree that the system is too complex. I had a stack of information that came in every week of changes within the system, a stack of about four or five inches. If that is to be the purview of the committees, I do not think they will get much work done.

The other aspect of this is that we need to empower somebody with responsibility, somebody who is answerable, somebody who can appear before the committee and answer for decisions that are being made. I question whether on a daily basis we can have members of Parliament involved in all of these individual decisions. On paper it sounds very good but the reality will be that we are going to delay the decision making.

For instance, on administration fees the object of that exercise was to basically make the administration of those loans break even for the government, for the government to have no costs involved, covering our loan losses, et cetera. For the committee to make rational decisions on an ongoing basis it would have to know almost on a weekly basis the administration of those loans, the numbers that have gone into default, the industries that are being pressured and so forth to know whether to increase or decrease fees in certain areas.

I would like to draw the attention of the House to the fact that committees do not meet that often. The reality is that Parliament is only in session less than half of the year. How could it possibly react on a daily or weekly basis to these kinds of changes? That is not the purpose of Parliament or even the purpose of the committee system.

Once again, I am opposed to this group of motions. If we want to improve the committee system we should ask whether the reviews the committees enter into are efficient and adequate, whether the powers of investigation are adequate and whether they exercise them adequately. Those are really properly the issues that would face parliamentarians on how to make this place more efficient and more democratic.

There is room for possibly strengthening the committee system, and I thank the member for Trois–Rivières for making that point. A lot of people in this country would like to see the committee system strengthened to use the talents of members of Parliament to their optimum benefit. Quite frankly, approving administration fees I do not think is one of them.

There is another important aspect we overlook about the administration fee. It has been the complaint of the SBLA program that it was essentially the prime borrowers, well heeled companies, that were getting the loans. In other words, these people could possibly get loans on their own without that guarantee but chose to get the guarantee because it was a cheap source of capital for them with a government guarantee attached to it. By increasing this fee that will no longer be an advantage to them.

• (1135)

As a consequence, what we have done is opened up a significant amount of capital for small and medium size businesses. What this means is that those companies that can afford to pay regular rates of interest will be unattracted because of this fee structure and will go off and borrow through the normal financial channels without the SBLA guarantee. The companies that will be left will in fact be those emerging companies, the ones that find difficulty in getting access to loans.

Time and time again on the industry committee and through our report, *Taking Care of Small Business*, we have been told by small business that the most important thing is access to capital and not necessarily the cost. Of course there is a point at which the cost of capital becomes prohibitive but those small emerging companies, the ones we are looking toward as creating new jobs and new industries, are going to have better access to funds under this system. This sounds ironic because the fees are slightly higher but it will open up an area for small and medium size business that does not currently exist.

Getting back to the original motion, I think it will be a detriment to those industries if for some reason the administration fee is somehow logged into a committee that is cumbersome and takes a long time to react. It is wise that the government leave that decision making possibly with a bureaucrat. That bureaucrat from time to time and at the discretion of the committee can appear before the committee and explain his actions. If for whatever reasons we find him negligent, we can get rid of him and hire somebody who is better. I believe that is more appropriately the administration of the committee system.

In conclusion, very simply, I am opposed to Motion No. 6 because I do not believe it is in the best interests of small and medium size businesses.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure today to speak on Bill C–99 and related amendments 2, 4, and 6 put forth by our colleagues from the Bloc Quebecois.

The backbone of our economy is made up of the small and medium size businesses in this country. They are the ones who truly create longlasting jobs within Canada. They are the ones who create real employment in our country. They form an essential part of our tax base in areas of innovation, science, technology, finance and many other areas. They are something we Canadians should be proud of.

The small to medium size businesses are finding it increasingly difficult in Canada to function because of the high tax loads, the red tape they are forced to struggle under and the difficulty they have in securing loans. Lending institutions within Canada are historically very conservative. Therefore, individuals in this country who bring forth many good ideas find it difficult if not impossible to have their efforts actually go to fruition. This is an enormous loss for Canada.

One just needs to look in the areas of medicine, science, technology and the pharmaceutical industry to see good ideas going nowhere or in fact being sold to companies in other parts of the world. I recently read some very interesting information on this. I read about incredible ideas being born within our own country and being sent to other countries where they become productive, profitable and contribute to the society by providing long term, high tech, high paying jobs for people in other countries. This is indeed a sad thing.

Bill C–99, an act to amend the Small Business Loans Act, comprises efforts to put this program on the road to cost recovery. Everyone in this House approves of this. However, we are also addressing the amendments put forth by the Bloc Quebecois. We oppose these amendments because they bring the power of determining liability directly to the committee instead of bringing it down to the area in this government that is closest to the public, and that is the House of Commons.

• (1140)

I would like to congratulate my colleague from Okanagan Centre, who put forth amendments that were adopted by the committee that would bring the decision making process closer to the people, and that is the House of Commons.

I find it quite strange that members of the Bloc Quebecois are putting forth amendments but are not addressing some of the large issues that are affecting their province. Sadly, Quebec in recent times has seen economic destitution and social problems unrivalled in its history. It is easy for the Bloc Quebecois and other separatist forces to blame history and Ottawa for these problems. I ask my honourable friends in the Bloc Quebecois, does not responsibility for some of these problems rest on their own shoulders? Is it not the intent of the separatist forces to

carve Quebec out of Canada? Are they not at least partly, if not largely, responsible for the terrible economic and social destitution we see in many areas of Quebec? One just has to visit the eastern part of Montreal to see this in real life.

I hope the hon. members of the Bloc Quebecois will look toward building a united Canada and addressing the economic and social problems that affect all of us within the context of this country. I find it extremely strange that they say that if they did not have to give their tax base to Ottawa they would be a lot better off. I ask them to wake up and look at the fact that net transfer payments go to Quebec and not to Ottawa. I ask them to remember that before they continue to pursue their course.

I would also like to address some of the problems that are affecting small and medium size businesses and put forth some constructive solutions. As I said before, small and medium size businesses are having increasingly difficult times because of the high tax loads they are forced to work under. This is indicative of the government's huge tax loads. With these huge tax loads, the high debt and deficit we have incurred, we are forced to pay off increasingly larger amounts of interest on these debts. As a result, interest rates in the country are higher than they ought to be and tax rates are also higher than they should be. It makes it very difficult for these companies to compete in other countries.

The industry committee supported the fact that federal, provincial and municipal governments should get their fiscal houses in order so that interest rates may be brought down and more money made available to companies, making a stronger, healthier dollar. It would provide an element of stability that is essential if small and medium size businesses are to be effective competitors in the future.

In talking to business we have found that one of the greatest obstacles they face is red tape. It is extraordinarily strange that the great ideas put forth in this country have to pass through so many loopholes to get to where they can be effective that many do not achieve their ultimate end. Red tape that is supposed to work for businesses is in effect choking them. We need to take a very close and hard look at this. We need to work with the finance and revenue departments to determine ways in which we can decrease the red tape and make businesses more effective and virile competitors in this country.

I would also like to raise the issue of using tax incentives to make more capital available to businesses. Indeed, the industry committee looked at this and suggested that decreasing capital gains tax rates for long term investment in Canadian small and medium size businesses would be an effective way to provide these companies with money to invest to build their businesses. Maintaining the $500,000 capital gains exemption is also a useful technique. If that were applied to small and medium size businesses it would provide more capital for them.

• (1145)

Relaxing the use of RRSPs in investing in one's own business is another measure which would put the responsibility back on those brave men and women who like to go it alone and try to make a private business work. They could use their own funds to invest in their business.

We also need to find ways in which the public can invest in Canadian companies. We need to define new financial relationships for the government, the banks and the private sector.

We can look at many examples. Germany and Japan are two giants which have managed to capture large segments of markets throughout the world. In part that is due to the unique relationship which the private sector has with the lending institutions in their respective countries. We do not have to reinvent the wheel. There are many examples in the world of these ideas being put into effect to support business.

In summary, small and medium size businesses are the backbone of the Canadian economy. They are an invaluable source of taxes for the federal and provincial governments. They are the primary employers. Without these institutions the employment rate would be much higher. They provide long term, long lasting, high paying jobs for Canadians. It is the responsibility of the government and opposition members to support measures which would maximize the effectiveness of small and medium size businesses. Let us look at other parts of the world and find ways in which we can support the backbone of Canada's economy.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour 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.

Some hon. members: On division.

The Deputy Speaker: I declare Motion No. 2 lost on division. Therefore, Motions Nos. 4 and 6 are also lost.

(Motion No. 2 negatived.)

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 3

That Bill C–99, in Clause 4, be amended by replacing line 6, on page 4, with the following:

"ty taken".

He said: Mr. Speaker, we welcome this opportunity to discuss the third and last group, which deals with the above amendment and for which some background may be useful.

Clause 4(1) of the bill reads as follows:

4(1) Subsection 7(1) of the Act is amended by adding the following after paragraph (e):

(*e*.1) prescribing the terms and conditions on which a lender may release any security, including a personal guarantee, taken for the repayment of a business improvement loan;

• (1150)

That is a sore point with us, and that is what we want to change through this amendment. In fact, the proposed amendment is entirely in line with the message we got during the last federal election campaign, when the Liberal Party of Canada had already said in its famous red book that if it were elected, it would ensure that no personal guarantees were required for loans under the Small Business Loans Act.

However, whether it was divine or some other kind of intervention, whether it was a lack of political will or loss of memory—Alzheimer's not being restricted to humans, even institutions will forget, and I think this is very disturbing in the present case—I think the government forgot a promise that must have been welcomed by the business community, especially small business entrepreneurs who are directly affected by the Small Business Loans Act. The promise was that from now on, the Small Business Loans Act would no longer require personal guarantees.

The Liberals forgot, and it is our job to remind them of one of the few promises in the red book that made sense. Asking the borrower for a personal guarantee under the Small Business Loans Act is, like the hon. member for Champlain said earlier, like having a belt—the government guarantee—and asking for suspenders because you are afraid the belt will break and the loan will otherwise be a write–off.

With the 90 per cent guarantee the lender used to have and which will now be 85 per cent, the lender could still expect to avoid severe losses after agreeing to lend money to a small business. However, if the lender can also ask for a personal guarantee, in most cases a home, a bank account, a car or part of the assets of the entrepreur and business owner, we are seeing a kind of security that may be unnecessary and provides what may be excessive guarantees for the lender.

As the hon. member for Durham mentioned earlier, there is always an element of risk involved, and the lender should be prepared to share the risk. In this area, 15 per cent may be riskier than 10 per cent, especially in the case of new or high tech businesses, as we pointed out, but to ask for personal guarantees as well is something to which we object, and we hope the government considers and endorses this amendment.

Another direct advantage is that, if personal guarantees such as a house were not required as security under the Small Business Loans Act, because the government provides a guarantee to the bankers—these assets in the possession of the borrower, in the possession of the manager of the small business, particularly in the case of high tech or exporting companies, which make lenders feel insecure—if those assets were freed up and not used as security, they could be presented to lenders to facilitate obtaining a loan, as security in any negotiations or transactions other than those under the SBLA, the Small Business Loans Act.

The borrower could therefore use these personal assets not required as security to plan future business development, particularly in the case of small high tech or export businesses, where lenders might justifiably feel insecure about the operation or the very nature of the business' activities. Often lenders are not familiar with high tech and export businesses, whose accounts receivable are outside the country and not always easily checked.

The Export Development Corporation is involved as well, but here again with additional administrative costs and delays.

• (1155)

Thus, by eliminating the personal guarantees now required under the SBLA, they could be placed in another context for use by the borrower as security with a lender. This is what we hope the government will accept, and that is why we have presented this amendment.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, it is important for people to understand that to be eligible for a small business loan under the current system the loan has to be applied toward certain conditions. For example, it is not to be used for working capital; it is to be used for the purchase of equipment, leaseholds, things that have true and sustained value.

If a loan is in default under the Small Business Loans Act, that equipment has a value. It can be sold. When the value of that equipment or leaseholds that have been sold has been realized, the amount that is left over is subject to a 25 per cent personal guarantee.

For example, if one has a loan of $100,000 for equipment, under the Small Business Loans Act one has to have a minimum of approximately 15 per cent to 20 per cent. The amount of exposure right off the bat is $80,000. Of course, one is in the process of paying it down almost immediately because it is always part of a programmed return. If the business goes bad and it at least realizes half of the value of the equipment, then the owner's exposure on that $100,000 is approximately $30,000. Then, from a personal guarantee the owner is only exposed to 25 per cent of that.

Because of the way banks have been dealing in Canada traditionally, there is this mindset right now that when someone applies for a loan they want his or her home, RRSPs and life insurance as security. They want four and five times security for the loan. That is not what we are talking about here.

We are saying under the Small Business Loans Act the personal guarantee is limited to 25 per cent of the amount that is left over after everything has been liquidated. From a normal commercial business point of view I do not see that as a bad thing. It is a big improvement over the traditional type of security that banks would want on most other small business loans.

We are not going to support this motion. The bill is designed in a way that gives much greater flexibility. Once the loan repayment reaches a certain level, where there is security in the assets to cover the exposure, under the current act the personal guarantee, the 25 per cent, can be released. Once their exposure was reduced most banks would release the personal guarantee. I believe that is fair and that we should not change that aspect of the bill.

• (1200)

The member for Trois–Rivières has put forward good ideas and thought provoking points. However, on balance the design of the bill is quite solid and will probably do the job we intend it to do.

As this is the last motion, I should like to say that the industry committee is very good. It has had a very tight focus on the issue of access to capital by small business. This is the third time in less than three years the bill has been through the House of Commons. It was amended three years ago by the then Conservative government. By the way, it went through all three readings in the House in one day. We supported the Conservative government in amending the bill three years ago because we believed in the importance of the issue of access to capital and some kind of instrument that would act as a catalyst to sensitize the banks and to push the banks forward.

As much as I support the bill, I am becoming a little concerned that we are creating too much of a crutch for the banking institution. I listened to the critic from the Reform Party this morning. He mentioned that the float capacity in the last two years under the legislation had gone up from $3.5 billion to $12 billion. The total small business float last year for all financial institutions and small businesses in Canada was $28 billion. Now we are suddenly letting the small business float go up to $12 billion, and this is the one the crown guarantees.

In my judgment we are doing the work the banks should be doing. We are taking all the risks of decision making away from banks.

Mr. Hermanson: Why?

Mr. Mills (Broadview—Greenwood): The member asks why we are doing it. It is because we realize that small business represents our greatest hope for taking people off unemployment insurance, taking them off welfare and getting them back into a productive state in life where they have dignity and are paying taxes. When we get this fiscal framework together small business represents our greatest hope. The greatest difficulty of small business is getting access to capital.

We are urging, hoping and coaxing banks to get into the small business game but it is not easy. We have to be a catalyst along the way. I am being very candid in my belief that we must have a heads up on the issue because we are essentially making the work of banks a lot easier by increasing the float to such a large amount and giving that guarantee. We had to do it to spark small business loans activity. It was not happening. What else are we to do? Are we to bring back the Bank Act and dictate to the banks to whom they should lend money? We cannot do that.

Mr. Strahl: We need more banks, more competition.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I hear from the Reform Party that we need more banks. I could not agree more. We need more competition in the banks. The problem is how we do that. If they know of a way or have a formula to create more competition for major financial institutions without putting the treasury of Canada at any greater risk we would be the first to listen. The minister responsible for financial institutions is in the House. He would love to hear how to create more competition for financial institutions within the framework of ensuring the financial exposure of the treasury is not put at greater risk.

• (1205)

The minister responsible for financial institutions is from the banking community but he is not from the establishment. He has always been a reformer—

Some hon. members: Oh, oh.

Mr. Mills (Broadview—Greenwood): —and a challenger of the status quo of banks. He has always been there for small business. Speaking of the word reform, a number of us over here are quite proud to be called Liberal reformers.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, we may have to stray again from the narrowness of the debate on the motion to amend the clause regarding security. Getting back to the motion before us, we must recognize that we need some rules or guidelines by which security may be varied as the loan is reduced. As the hon. member mentioned, it is only prudent after a loan has been reduced by a reasonable amount that we may want to release some of the security taken to grant the loan such as the person's house, car, equipment, office building and everything else.

These types of comments are appropriate to ensure that the financing of small businesses, if they want to raise additional capital at a later date, can be accommodated without being ground down by inappropriate rules and regulations when the loans have been reduced in an orderly fashion.

Speaking in a wider context on the bill, I mention again that I still do not think the point got across to hon. members opposite. They talk about the treasury's involvement as a catalyst for small business lending; about not wanting to put the treasury at too much risk but nonetheless having a role to play; and about the banks perhaps getting off too easy because of the Small Business Loans Act.

I reiterate that the bill will turn the Small Business Loans Act into a no cost service by the government. That strikes me as being strange. I cannot really understand the logic of it. The amendments to the act will require that borrowers carry the cost. Borrowers will have to pay a fee to the banks. The banks will take the fee and pass it on to the government. The government will take the money it has collected and reimburse the banks for what they have lost. That is the end of the line.

Who is left with the tab? The borrowers, the guys who are trying to create jobs, will be left holding the bill to subsidize those that tried but failed, to subsidize the banks that made a wrong decision and to let the government off the hook so that it can say what a wonderful service it is providing in that $12 billion of loans to small business have been guaranteed. Who is paying? It is not the government. It is a tax on successful small business borrowers who have had to pay an administrative fee in addition to interest to subsidize banks and let the government off the hook.

• (1210)

As I said before, and I will say it again, a dollar in the hands of an investor, a businessman or a consumer is far better spent than a dollar channelled through a bureaucrat. I cannot think of any greater illustration of the bill. It has been designed to fulfil the process we are absolutely opposed to. It will channel the money through a bureaucrat and back to the private sector at no cost to the government. Who ends up paying the bill? It is the private sector. The small businessman is being asked to carry an additional loan in the name of allowing the government to take credit for providing something it is not providing.

I am fully in favour of helping small business. I had an accounting business before I became a politician. I served small business people in my community. I was a fan and still am a fan of small businesses. They are the generators of employment. They are the innovators, the creators and the people who see a niche, develop it and make money. They are the ones who are the driving force of the economy, the ones we depend upon to employ people so that taxes can be paid. They are the people who have given us our standard of living and our prosperity.

Again they are being loaded down with another tax so the government can take credit for helping small business. Small businesses certainly need a hand. They need to be motivated as much as possible. We have to encourage lower taxation and encourage them to meet the new challenges because they are the ones who ultimately accept the risk. They are the ones who lose their life savings, their houses, their businesses and their investments; they lose everything. They are the ones who are prepared to put their financial lives on the line. Many do and unfortunately many fail.

As I have also said before and will say again, the cost of eliminating failure is equal to the price of success. We cannot have a success story without having some failures. Our challenge is to try to reduce the failures but we will never eliminate them.

If the government thinks by churning money through its books the system will be made better, I suggest we have a new method of rethinking how we are to motivate society, to live up to the challenges of the 21st century, to live up to the global economy, to market Canadian expertise and talent around the world and to generate an increased gross domestic product which will allow us to come to terms with our debt and our deficit.

These are the challenges we should be addressing, not the idea of smoke and mirrors through the SBLA.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

• (1215)

[*English*]

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 bells having rung:

Ms. Catterall: Mr. Speaker, I think you would find unanimous consent among the parties to defer the vote just requested.

The Deputy Speaker: Under this section it is required that the whips of all parties agree. It is acceptable to all of the whips?

Some hon. members: Agreed.

The Deputy Speaker: Pursuant to Standing Order 45(7), the chief government whip with the agreement of the whips of all recognized parties has requested that the division on the question now before the House stand deferred until the end of Government Orders today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

[*Translation*]

BRITISH COLUMBIA TREATY COMMISSION ACT

The House proceeded to the consideration of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, as reported (without amendment) from the committee.

Hon. Jon Gerrard (for the Minister of Indian Affairs and Northern Development) moved that the Bill C–107 be concurred in.

(Motion agreed to.)

The Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Gerrard (for the Minister of Indian Affairs and Northern Development) moved that the bill be read the third time and passed.

• (1220)

[*English*]

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am proud today to initiate the final stage in the House of passing Bill C–107 into law. It is a day which I am pleased has come at last.

I am grateful for the non–partisan approach taken by parties opposite on this bill. The history of the British Columbia Treaty Commission has been one of partnership among people of diverse political stripes, and I am glad that spirit has continued in the House.

The tone set in this debate reflects and reinforces all of those who across the years and across party lines have joined hands in a common cause. That cause is simple: to bring justice to aboriginal peoples and certainty to British Columbia.

During the course of debate on the bill we have heard the historical incidents which have made the legislation necessary. We have seen that only a handful of First Nations in British Columbia ever signed treaties with the crown. As a result, 124 years after becoming a province, the key questions of aboriginal title over land and resources remain unresolved, and the majority of British Columbia remains subject to outstanding aboriginal land claims. With those claims come uncertainty and confusion.

We have also seen the historic step taken by the Government of British Columbia in 1990 to agree to the negotiation of treaties and the subsequent establishment of a task force to make recommendations on the process and mandate for treaty negotiations. We have heard of the key recommendation of that task force: the creation of an arm's length B.C. Treaty Commission.

Since its creation in 1992 the commission has received statements of intent to negotiate from 47 First Nations, representing over 70 per cent of First Nations in British Columbia. Clearly there was a need for this type of process, a need now being met.

Today we honour the commitment made by our predecessors to establish the commission in legislation. However, the bill is about more than just creating a certain status for the commission. It is about creating opportunity for all British Columbians.

Because the failure to deal with these issues has greatly limited opportunity in B.C., the uncertainty over ownership of land and resources has exacted a high cost. Uncertainty has meant lost investment.

The Price Waterhouse study, referenced in second reading debate, prepared in 1990 estimated that $1 billion in investment

in the forestry and mining sectors had not occurred because of unresolved land claims. Three hundred jobs had not been created and $125 million in capital investments had not been made. Since the time of that study the price has continued to be paid year in and year out. It is a price we can no longer afford and it is a price we will no longer have to pay.

Settling land and resource issues will create an environment for investment and increased local economic activity. Therefore I commend members from all sides of the House for their support of the legislation. Certainty will be good news for the forest worker and the miner. Certainty will mean an expanded tax base, as the infusion of settlement funds stimulates economic activity and creates jobs. Certainty will mean lower social costs associated with poverty and unemployment in aboriginal communities. It will mean an end of conflict and litigation and the beginning of co–operation and negotiation.

• (1225)

The mandate of the B.C. Treaty Commission is straightforward. It is to facilitate, not negotiate, modern day treaties. Its main functions are to assess the readiness of parties to negotiate, allocate negotiation funding to aboriginal groups, assist parties to obtain dispute resolution services and monitor and report on the status of negotiations.

Because these negotiations will affect all British Columbians, we have established a province–wide consultation process so that all interests will still be heard.

This consultation process, as I indicated at an earlier stage of debate, operates at two levels. The first is a 31–member treaty negotiation advisory commission, which brings together the perspectives of municipalities, business, labour, fishing, wildlife, forestry and environmental groups to the treaty making process.

The second level brings the diverse interests of the various regions of B.C. to bear on the land claims process. Regional advisory committees are being struck in each treaty negotiation area so that local voices may be heard. These committees work directly with federal and provincial negotiating teams.

As land claims issues are resolved, the land base and access to resources they provide will establish a foundation on which aboriginal peoples can build self–sufficient communities. The growth of strong, self–reliant, economically vibrant aboriginal communities strengthens us all because it will bring positive economic spillover into non–aboriginal communities.

For too long the aboriginal peoples of British Columbia have been denied both their rights from the past and their hopes for the future. For too long we have denied ourselves the contributions they can make. With the rights and obligations clearly defined by treaties, all British Columbians, aboriginal and non–aboriginal, will be able to get on with realizing the potential of their province and expanding their opportunities for advancement.

On August 10 our government released its approach on the inherent right of aboriginal self–government and presented the principles which will guide the negotiations. In the case of British Columbia, the policy provides that negotiations on self–government will take place at the same table as discussions on land and resources. In other words, the process and structures already in place for treaty negotiations will also be used to negotiate self–government issues.

These two sets of discussions, self–government on one hand and land and resources use on the other, complement each other perfectly. Treaties will clarify and define the issues and self–government will establish the authority to manage them.

What this means is that for the first time the parties will be able to have all of their issues dealt with at one table, under one set of negotiations. This will be more cost effective, as it eliminates overlap and duplication and permits a much more comprehensive approach.

I spoke earlier of the high cost associated with leaving these issues in British Columbia unresolved. If the price is high for the general population, for aboriginal peoples it has been yet higher. For aboriginal peoples it has meant great hardship and grinding poverty. It has meant generations of frustration, of dreams deferred and promises unkept. It has meant a quality of life few of us can imagine and none of us should accept.

Some of those conditions are appalling. Diseases such as hepatitis and tuberculosis, virtually eradicated in the non–aboriginal population, persist in aboriginal communities. Death by fire is three and a half times the non–aboriginal level because of unsafe housing and the lack of proper sanitation. Aboriginal peoples are more than three times as likely to die a violent death and about twice as likely to die before the age of 65. The suicide rate among aboriginal peoples is 50 per cent higher than non–aboriginal peoples. That difference is even more pronounced in the 15 to 25 age group.

• (1230)

This country simply cannot afford to lose another generation of aboriginal peoples able and willing to make their contributions. We cannot afford to continue to condemn aboriginal peoples to lesser lives in a lesser land.

I do not mean to suggest that all of this will be magically solved with the passing of this legislation, but it will constitute a true beginning. It will take us off the rutted road of confrontation and litigation. It will send a signal to all parties that this is how we resolve problems in this country.

This legislation does several things. It ends uncertainty. It honours our obligations. It creates hope for tomorrow. It also does something else, something even more important. It confirms negotiation over confrontation, consultation over litigation. It stands as a vivid reminder of what can be achieved by men and women of understanding. It is an eloquent reminder that progress is possible, that persistence prevails. It is a

testament to the simple fact that more can be achieved by joining hands than by shaking fists.

This must always be our approach but it is an approach which is by no means automatic. It is one we must work to adopt. That is why legislation such as this is so important. It creates a process and a forum for negotiation.

If we fail to demonstrate our resolve to negotiate, we leave the field and the resolution to those with little regard for the law to those who seek solutions through less democratic and less peaceful means.

We should not underestimate the historic qualities as well as the substantive importance of this bill. To all of those who have fought so hard for so long to see it through, I offer my admiration and appreciation. I again want to thank this House for its wisdom and its support.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, it is with great pleasure that I rise today to speak to Bill C–107 at third reading.

When this bill was at second reading, I talked about my very extraordinary trip to western Canada this year. I visited several First Nations in western Canada, including the Nisga'a, the Chilcotin and the Carrier–Sekani.

I will not go over this trip again, but I think it is important to address the situation of the Nisga'a because the current debate on the proposed legislation to recognize the British Columbia Treaty Commission has some precedents.

I think it is worth mentioning that the Nisga'a have succeeded in negotiating agreements, probably because of their perseverance and determination. They may be the precursors of what is before us today, which follows an act of the legislature of British Columbia and a resolution of a summit of official representatives of the First Nations.

All this was achieved, and we must, I think, recognize the Nisga'a's commitment to try to negotiate agreements.

• (1235)

When I visited the Nisga'a last summer, negotiations were unfortunately at a standstill and people were somewhat discouraged because these negotiations had been going on for 19 years; people were working very hard to get things moving again.

I am happy to see that things are starting to move again. Only 20 minutes ago, I talked with the chief negotiator, Nelson Leeson, who is chairman of the Nisga'a education committee and their negotiator in this matter. They have a negotiation meeting today and I will be happy to give the House a progress report on these talks.

But why spend so much time on the Nisga'a? Of course, they are precursors to the process we are reviewing today. But, moreover, the Nisga'a hold the key to negotiations in British Columbia. Most of the First Nations I met with last summer told me, "You know, Mr. Bachand, if the Nisga'a negotiations do not resume, the other nations will be wasting their time. It is useless; we will have no faith in the proposed process if we see that 19 years of negotiations have failed".

That is why it is important to always start our speeches on the British Columbia Treaty Commission by supporting the cause of the Nisga'a and what has been done so far.

Only 20 minutes ago, I was given a brief update on the negotiations. I can report that there does not seem to be a problem with self–government for instance. Ninety–eight per cent of the objectives relating to self–government were achieved.

A final agreement on self–government is imminent. One stumbling block seems to be fisheries, and commercial fisheries in particular, because of licensing requirements and, unfortunately, as we known, fish stocks are dwindling. Fishing licences have been issued and licensing authorities are looking into the possibility of transferring a number of them to first nations. As we speak, there is a bit of a problem there.

This matter has not yet been settled for good. Another major problem is the apparent lack of firm offers concerning land claims. Many difficulties emerged regarding land claims. I will explain in a moment. At times, B.C. columnists even suggested that it made no sense, as first nations ended up claiming 125 per cent of the territory because of overlap. So, there is a great deal of qualifying to do there.

I think that both provincial and federal authorities might be afraid of giving up too much land. All of this needs to be put in perspective. That is how negotiations go; it is better to start by asking for a little more rather than a little less.

The Nisga'a are one case where, as I will explain in a moment also, the Supreme Court of Canada recognized that they indeed had title to all the lands they claimed. As we will see in a moment, the Nisga'as are claiming self–government and title over only 8 per cent of their claim site and certain things already granted by the Supreme Court of Canada.

I felt it was important to open the debate on the Nisga'a case. In British Columbia, there are some 200 reserves. There is a very rich aboriginal culture in that province, with 200 native reserves or communities and eight language groups. In addition, aboriginal people who share common interests often get together in groups known as regional councils or band councils. There are nearly 30 such aboriginal councils.

This goes to show that aboriginal culture is pervasive and very strong in British Columbia. It came as a surprise to me. We are not used to seeing every second store on main street a native one, as is the case in Vancouver for instance.

• (1240)

This shows how predominant the aboriginal culture is in that part of the country. It is important to do a bit of history here. At one time, that region was one of the most populated on the American continent. Europeans settled there 140 years ago. Yet, and unlike in other parts of the country, only 15 agreements were signed during that period in western Canada.

Fourteen of these treaties relate to Vancouver Island. They were signed by the Hudson's Bay Company. These are pre–Confederation treaties, dating back to before 1867. The only post–Confederation treaty is Treaty No. 8, signed in 1899. In central Canada, treaties were numbered from one to ten. Only one of these treaties, namely Treaty No. 8, relates to British Columbia and part of Alberta.

Treaties were also signed elsewhere in Canada, including some in Quebec, such as the Murray treaty, as well as other important ones. However, it seems that, during those 140 years, people tried to avoid negotiating anything in western Canada. They did not wish to recognize the contribution of aboriginal peoples to the European culture. They did not want to negotiate,so they just ignored the issue. Ultimately, that approach brought about more serious problems. Indeed, problems do not go away if you bury your head in the sand or ignore them.

It is important to keep that historical context in mind. Over time, some changes were made.

As I said earlier, the Nisga'a helped clear the road to negotiation. The Calder case was probably instrumental in the negotiation of territorial claims. At the time, in 1973, the decision was hailed as a victory for aboriginals, since the Supreme Court confirmed their claim on aboriginal titles.

Following that decision, the federal government came to the conclusion that, since the Supreme Court had ruled that the claims on aboriginal titles were valid, it might as well start negotiating. Negotiations slowly got underway and the Nisga'a were the first ones to participate in the process.

There were other historic advances in terms of aboriginal values and culture and negotiations with aboriginal peoples, including the patriation of the Constitution in 1982, and I am referring to the often quoted section 35, which contains some recognition and affirmation of the existence of aboriginal, Inuit and Metis rights and treaties.

Of course there were other decisions that point out that a treaty is not necessarily a contract as we know it. It is not necessarily a document bearing the signatures of Europeans and aboriginal peoples. In many cases the oral aspect of treaties is recognized. This is not to say that aboriginal peoples were illiterate, because that is not the case. They had their own language, their own linguistic roots, but the language of the white man was not like theirs, and so when they had to sign a treaty, they would say: "We agree; let us have a verbal agreement, since we cannot sign in your language, the way you sign".

For me it would be like signing a contract with the Inuit. I do not know whether you ever saw Inuktitut, but I would not know what I was signing, and I think that is what happened at the time. The courts in their wisdom judged that treaties have a certain oral value; it is not only the signature that counts.

So in 1982 this was recognized by section 35 of the Constitution. In 1989, political action was stepped up, especially in British Columbia. It was decided to create a Department of Indian Affairs. This was quite a step. The government had no one who was responsible for conducting negotiations with the aboriginal people, although the problem had been around for 100 or 120 years.

In 1989, they really started to tackle the problem in British Columbia by establishing the Department of Indian Affairs.

• (1245)

Furthermore, the Premier of the province appointed a Premier's council for aboriginal affairs. So there was a new awareness following all the legal discussions and the problems generated by a failure to negotiate, problems that were becoming increasingly obvious. A decision was finally made to sit down and deal with the matter once and for all.

The cabinet urged the provincial government to change its past policies. In 1989, the Premier's council told the government: "Listen, we have to change our attitude and our perception of negotiating, which is 120 years old and which has meant we simply ignored the problems". So they sat down and started to settle land claims. At that point they set up a task force, which I see as the predecessor of the commission we are discussing today. They set up a task force whose members identified the need to conclude creative and far–sighted treaties with the First Nations, the provincial government and the federal government.

The treaties had to include three parties: the First Nations, the federal government with its fiduciary responsibility for the First Nations, and the provincial government, because it was often on provincial land that the federal government exercised powers in areas that were the responsibility of the province. The report

called for a new partnership to recognize the importance of Canada's natives and First Nations, based on voluntary, properly conducted talks in which the natives, the province and the federal governments would negotiate as equals.

The agreement in principle between the three parties I referred to earlier—the federal government, the province and the First Nations—was signed in September 1992. The legal entity empowered to sign for the First Nations is called the summit. This agreement implements the 19 recommendations made by the task force, including Recommendation No. 3. That is why I referred to it as a precedent earlier.

Recommendation No. 3 of the task force was to form a British Columbia treaty commission, which was done. The agreement also outlined the commission's role, mandate and operation. The purpose of Bill C–107 is to establish this commission on a legal basis. On May 26, 1993, the province followed up by tabling a proposal to create the commission. It has already passed an act to that effect. As for the First Nations Summit, it has already ratified the proposal through a recommendation signed by summit participants.

The parties were willing to go ahead. The only thing missing was the federal legislation before us today, which, I hope, will be passed as soon as possible, although some of the work has already started. I think it is important for the House to adopt this legislation once and for all, to prove that the third signatory to these agreements, the federal government, is acting properly, and that is the purpose of the bill before us today.

So why should we negotiate treaties? I think that we should put things in their historical context. Commissioners have pointed out that, if the role of treaties and their historical context were explained clearly to B.C. residents, they would be much more open to the land claim settlement process. In my introduction, I talked about overlapping land claims covering 125 per cent of the territory.

Just the same, there are individuals who are, in my opinion, adding fuel to the fire in B.C. right now by saying: "Look, we cannot give the natives the whole thing". I must stress the fact that this is an initial bargaining position. I believe the provincial government promised to reply: "Look, we cannot give you more than 5 per cent of the land. We shall see".

In other words, the federal government's opening position is five per cent, as opposed to 125 per cent for the First Nations. As usual in any negotiation they will settle somewhere in the middle. For the time being, I think that what matters is that the government sit across the First Nations at the negotiation table, listen to what they are asking for and see what we can offer. That is when negotiations are most valuable.

It is also very important that treaties be negotiated to prevent challenge strategies. Events like those that took place at Gustafsen Lake or, in Quebec, at Oka and Kanesatake, must not be allowed to happen again if it can at all be helped.

• (1250)

It is therefore important that people see soon that the legal dispute and tangle can soon be resolved once and for all, not by force, endless legal controversy or roadblocks, but rather through negotiation.

At present, in B.C., there are even non–native groups that are quite familiar with the negotiation process and are siding with the natives to force the appropriate authorities to reach agreements once and for all, in the hope of avoiding unfortunate incidents such as roadblocks and illegal land occupation, which often lead to disaster and crystallization in relations between natives and non–natives.

Why negotiate treaties? To avoid confrontation and promote a peaceful settlement around negotiation tables.

In that context, the role of the commission is to facilitate the negotiation of treaties. It does not participate directly in negotiations, but, if they stall, it must step in, try to sort out the problem and basically serve as a mediator by bringing parties together.

The commission is made up of five commissioners. This is important. Two of these commissioners are appointed by the First Nations Summit. This is almost a majority, since one commissioner is appointed by the federal government and one by the provincial government, while the chief commissioner is selected by these four commissioners. The chief commissioner will be selected because of his expertise and may often be an aboriginal who has a great deal of knowledge regarding treaty negotiations. Consequently, aboriginals will have a strong representation.

The commission approves the participation of first nations and organizes an initial meeting between the parties. I will explain this six–stage process and discuss it at length later. It is interesting to note that, when the parties meet for the first time, traditional ceremonies often take place. This helps government officials become acquainted with aboriginal culture. It is also a way for aboriginals to show that there is no animosity. Their culture includes certain traditions, which are quite fascinating. Often, inviting someone to a traditional ceremony is a gift, as well as an indication of the open–mindedness of aboriginal people. Such ceremonies are common procedure during initial meetings.

The commission then puts in place the structures that will ensure smooth negotiations. Obviously, the commission has certain tools available to it. It can provide loans and contributions to first nations. The program is funded by both levels of government. The commission also provides expertise to solve disputes and ensure progress in the negotiations. This is more or less the role of mediator to which I alluded earlier. Finally, the commission acts as keeper of the process.

It goes without saying that it does not participate in treaty negotiations. None of the commissioners sits at the negotiating table with a nation which has opted to use the BC Treaty Commission process.

The Commission is also required to produce annual reports. According to the first report, apparently, 42 first nations, groups or tribal councils have indicated a desire to establish negotiations. It should be pointed out that the Nisga'a will not fall under the commission's jurisdiction, because both levels of government have agreed that the negotiations had been long underway. Because they were so far advanced, there was no question of their being started over again or integrated at the stage they had reached. The decision was made to move ahead.

I have already told you what stage the negotiations had reached. The aboriginal nations of British Columbia breathed a great sigh of relief to see that the negotiations with the Nisga'a are moving forward.

Before I begin to talk about the six distinct steps in the process, I must also point out the optional nature of the process. In other words, a BC nation can decide not to make use of this negotiating mechanism but to explore other paths. To date, however, it seems that the first nations are greeting the process with a great deal of approval and are readily integrating themselves into the process.

• (1255)

The first step of the process is to file a statement of intent to negotiate. The First Nation concerned identifies itself, the people it will represent, its geographic area, and the territory it claims as its ancestral land. It appoints a resource person with whom the two levels of government will get in touch. Often, the important thing in negotiations is to know who to contact in case there is a hitch or if further details are required. In the first step of the process, it is clearly specified that the First Nations must meet these conditions.

The second step consists in preparing for negotiations. A first meeting must be held within 45 days of the first contact. As I pointed out earlier, this first meeting is usually held on the ancestral land. It starts with a traditional ceremony to which the negotiators and the various observers involved are invited.

At this stage, the First Nation is asked to appoint a negotiator with a full and specific mandate. It must get resources from the commission, adopt a ratification process, and identify the substantive and procedural issues to be negotiated.

Another very important point is that it must identify and file its claims on its ancestral lands. Reference was made earlier to overlapping aboriginal land claims. Negotiating first nations are required to consult neighbouring nations to make sure that their land claim does not encroach on other nations' claims. It is important that this be done early on, and negotiations cannot resume as long as this requirement is not met.

Governments must also consult non–natives and ensure that appropriate information is gathered. This too is important in my view because all the people living on a first nation's ancestral lands are not necessarily native people. There may also be non–natives, European families who, in many cases, settled there many decades ago, perhaps 120 years ago, sometimes at the very beginning of the colony.

There people feel rather insecure. That is why this is so important. At this stage of the game, commissioners should be consulting non–natives and gathering information to be prepared to answer any question that may come their way.

Once the commission is satisfied that the three parties to the negotiations meet the requirements, negotiations on the master agreement begin. Stage 3 is the negotiation of a master agreement. At this stage negotiation goals and objectives are set and a time frame suggested, but of all the negotiations under way none have gone further than stage 3.

In fact, none of the 42 first nations I mentioned earlier, which are taking part in the process, have gone past stage 3. The closest one is the Nisga'a. Earlier today, I spoke to Chief Leeson, who told me that they hope to sign an agreement in principle before Christmas. Although such an agreement would not be binding, they hope to have it. Even though this is an unusual process, some form of negotiations existed before. The Nisga'a are now at the agreement in principle stage, and they hope to have such an agreement before Christmas. We all hope that they do.

Negotiating an agreement in principle means negotiating substantive issues. For example, it means finalizing the agreements on self–government and territorial claims, defining the real basis of the treaty that will follow, and discussing what is to be included in that treaty. This all takes place at stage 4.

Stage 5 involves the negotiations to finalize a treaty. This is the stage at which a treaty officializes the content of the agreement in principle. All that was agreed to is finally put together and confirmed in a treaty. Following that stage, the treaty is signed and officially ratified.

Stage 6 is, of course, the implementation of the final treaty.

• (1300)

I must mention here a criticism that was made. Some aboriginal nations told me that, indeed, negotiation, and not confrontation, was the way of the future. However, given this series of stages and the fact that it took 19 years for the Nisga'a to reach stage four, some think that setting up the British Columbia Treaty Commission is a delaying tactic.

That criticism must be pointed out. I share that concern, to some extent. However, it seems to me that the investment made in establishing the commission is worth it, in terms of both time and ideas put forward. I think this is better than letting each community in British Columbia, and there are 200, progress at its own pace, which would hardly be conducive to orderly negotiations. Some people might use this as an excuse to say: Listen, next door they are getting nowhere fast and the same here, so we do not want to negotiate any more.

In this way the process is more uniform. Perhaps it will take a little longer, but I think it is worth it, and time will tell us we were right. Treaties will be signed on a peaceful basis, and I think the confrontation that has existed in British Columbia for 120 years will finally disappear. Time will tell us we were right and that negotiating is more important than protests.

Of the 43 First Nations participating in the process today, 14 have finished stage one. Seven have finished stage two and are now negotiating a framework agreement, 11 have basically finished stage two; according to the commissioners, these 18 First Nations are expected to reach stage four by 1995–96.

The process is picking up speed, and it is a process that is supported by the First Nations and will become fully operational in the months to come.

No group has yet finished stage four. I also want to say that the First Nations have my full support. If they ever reach an impasse, in a democracy, in the House of Commons, there is an official opposition, and I want to take this opportunity to tell people, and I admit it has happened before, that when negotiations reach an impasse, the First Nations of British Columbia can count on my full support. I could intervene within the limits set in a democracy, by going to the minister or the provincial authorities to ensure negotiations are successful.

Incidentally, I also looked up some recommendations the commission made in its annual report, which I feel are important.

The first recommendation made by the commissioners is that federal legislation should be passed and federal and provincial laws ratified as soon as possible to give the British Columbia Treaty Commission the status of a corporate entity. That is what we are doing today. The commission will be recognized as a corporate entity once we have passed Bill C–107.

The second recommendation is also very important. The commissioners recommend that the parties to the agreement and the negotiating parties continue to make every effort to ensure that the public is better informed and that the parties to the agreement are more involved in educating the public. Any initiative in this respect is to take place at the provincial, regional and local levels.

This is one thing the Nisga'a pointed out to me the last time I was there. They told me it was important to get a lot more information out to the public, because there are people whose interests do not coincide with those of the First Nations and who, as I said earlier, were fanning the flames of controversy. They claim that land claims cover 125 per cent of the province, that aboriginal people want all the land, and so forth.

The Nisga'a saw to it that their part of the contract was fulfilled, that is to say they informed non aboriginals and the population in general of the appropriate nature of their claims, of the appropriateness of dealing with them on the same footing. I think they did just that. But from what I know about the process to date, the federal and provincial governments have not made much progress in raising public awareness of the relevancy of the process I explained just now.

• (1305)

If the process is properly explained and the people of British Columbia can be confident that the aboriginal people do not pose a threat, this should speed up the process, preparing the ground for negotiation.

It is important to acknowledge that, if the climate for negotiations is propitious, the process progresses a lot better than if it is tense and government officials are told, "Now listen, we cannot go too fast because our people are not all that much in favour".

It is very important for this public awareness to be, not just maintained, but stepped up, particularly by governments.

Another recommendation which struck me, and I feel I must raise it here, is that the Government of Canada and the Government of British Columbia use all methods of consultation available to them to let the community as a whole know that it has been understood and its concerns taken into account.

My colleague has just spoken of a degree of uncertainty. There are all kinds of companies out there, and what struck me on my last trip was the speed with which natural resources are being taken out of the area. It is as if the companies on these ancestral lands said: "We are in a race, because once these lands are transferred to the native people, we will not be able to continue our present operations".

I saw up to 500 logging trucks a day coming off Chilcotin, Nisga'a and Carrier–Sekani land. That really impressed me. It really disappointed me as well, and I even mentioned it to the Premier of British Columbia and to the Minister of Indian Affairs. To my mind, those forests were being clear cut and would have a hard time recovering. Moreover, for the trees coming out of B.C. of late, no money is going to the first nations.

It seems to me, that the whole question of natural resource use could be included in the upcoming treaty discussions. In fact, we are looking into the possibility of joint management in the House standing committee. We will therefore conclude our work, but, in the meantime, I think it important to point out to the principal groups using natural resources, particularly, that there is no danger, in our opinion.

The taxes they currently pay to use these resources could be paid to the native peoples rather than to the provincial or federal governments. This is the sort of discussion being held, and I think it important that these financial groups be part of the process and not consider negotiations on these ancestral lands as a threat to their business. The entire community must know this as must the special interest groups.

In conclusion—I see my time is just about up—our objective is to put an end to 140 years of injustice. We are very lucky that the first nations have this mentality of sharing. You know that, when the Europeans appeared, regardless of where in Canada they appeared, the native peoples always said: "Look, the land belongs to everyone, so let us share it together".

We have been lucky up to now to have the use of this land, but I think an injustice has been done to the native peoples in their being confined to small reserves with few natural resources and not enough of a land base to enable them to take control of their lives.

The extent of their dependency is rather outrageous, in my opinion, because they are always depending on government grants. This means they are unable to really fly on their own and to take control of their lives. I think the process before us today will enable them to take off. We are lucky, as I said earlier, that they have agreed to share this land with us without violent challenges. We have had some of late, but they have to stop. We cannot have them.

• (1310)

The most logical and sure way to avoid any reoccurrences of such unfortunate situations is the process of negotiation before us.

So let us avoid roadblocks and events such as at Gustafsen Lake and Oka. Let us exchange aggression and argument for discussion and negotiation.

I wish the first nations of British Columbia good luck. The Bloc Quebecois will support Bill C–107.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I would like to speak on Bill C–107, an act respecting the establishment of the B.C. Treaty Commission.

I noticed at the beginning of the previous speaker's speech he talked quite a bit about the Nisga'a negotiations. I would like to point out that the Nisga'a negotiations are not part of the B.C. treaty process under the B.C. Treaty Commission as they predate it and are not subject to the same terms of reference.

There has been a high degree of increased public awareness of the ramifications of the B.C. treaty negotiations in the last two years in British Columbia. It has now risen to be the number one issue in the public mind in British Columbia.

The opposition political parties at the provincial level are adopting treaty policies very different from what has gone on up until now and very different from the federal government. There are concerns about the costs and the length of time the negotiations are going to be taking. There are concerns regarding the negotiating mandate of the two senior levels of government. There are also concerns regarding the consultation and ratification process for any negotiated treaties.

As we talked about the Nisga'a agreement earlier, this is a precedent setting agreement outside of the B.C. treaty process and at this point it will not necessarily be adopted by an incoming B.C. government. We are in the circumstance of having a government that is currently in the last year of its mandate and the other two major parties vying for government have made that statement.

Against this backdrop of a precedent setting negotiation which has largely been cloaked in secrecy and mystery, that is the Nisga'a negotiations, we do have this B.C. treaty process. The terms of reference for the Nisga'a negotiations certainly allow for a much greater degree of openness than has been demonstrated to date. In an overall context, this is not a good start.

Some of the history of the B.C. Treaty Commission is that in December 1991 British Columbia accepted all the recommendations of a task force. Those recommendations led to Canada and B.C. beginning formal negotiations on the roles and responsibilities of the two governments within treaty negotiations, including cost sharing. This was culminated in March 1992.

In September 1992, Canada, B.C. and the First Nations Summit leadership formally supported the establishment of a B.C. treaty commission and signed a B.C. treaty commission agreement. In April 1993 commissioners were appointed on an interim basis by provincial and federal orders in council and by First Nations Summit resolution.

In May 1993 the provincial legislation received royal assent which was pending federal legislation. The Governments of Canada and British Columbia then successfully concluded cost sharing negotiations in June 1993. This allowed for the treaty commission to open its doors in December 1993.

• (1315)

Virtually all of these actions, save the very last, occurred prior to the last federal election in October 1993.

Currently an estimated 77 per cent of the British Columbia bands are involved and signed up in this process. There are 196 bands in British Columbia. As I mentioned earlier, the Nishga negotiations are completely outside of the B.C. treaty process. All the remaining bands in British Columbia that are not a part of the B.C. treaty process have no option: they either go with the B.C. treaty process or there is no other negotiating option for them. Those are the terms of reference. This is problematic for those 23 per cent of B.C. bands that have concerns and do not want to enter into the process.

There is one major omission, which is not mandated by Bill C–107, which we are discussing today, and that is the consultation process. There has been a separate set of agreements. In July 1993 the federal and provincial governments announced the establishment of a 31–member treaty negotiation advisory committee to advise ministers in the treaty negotiations. That committee is not referred to in any way, shape, or form in Bill C–107. It has no recognition. In addition, regional advisory committees are being struck in each treaty negotiation area to represent local interests. There is much unhappiness about the consultation process and about the ratification process at this time.

I would like to point out that in the term of this 35th Parliament we have had previous legislation dealing with aboriginal issues. We have had the Yukon self–government and land claims agreements. We have had the Sahtu agreement in the western Arctic. We have had the Pictou Landing compensation agreement in Nova Scotia for environmental damage at the reserve level. We have had the Split Lake compensation agreement in Manitoba. Now we have this enabling legislation which has been very late in following the provincial legislation and the agreement.

The reason I mentioned all of that is because each of these bills, every piece of aboriginal legislation that has come before the House in this 35th Parliament, predates the last federal election in terms of when the agreements were reached. There has not been one piece of legislation from this department in this Parliament.

In preparing to look at Bill C–107, one of the necessary steps is to talk to legislative counsel. Legislative counsel advises that no legislative changes are possible to Bill C–107 because neither the federal nor provincial governments can make unilateral changes, and the B.C. Treaty Commission agreement, the tripartite agreement between the federal, provincial and First Nations Summit, which was signed in September 1992, and also the provincial enabling legislation override the ability to make changes. The only way a change could be made is if those agreements were also changed. This is really a reverse onus on this Parliament in many respects.

I have some concerns about this bill many of which are quite basic. Who would enter into an agreement in which there is no satisfactory amending clause? Who would enter into an agreement in which there is no satisfactory cancellation clause? In both cases this bill comes up lacking. The agreement leads one to assume a lot.

• (1320)

If a band enters into the process it receives funding that is 80 per cent repayable upon completion of negotiations. In effect they are being given a loan to set off against the eventual settlement package. The agreement is silent in terms of what happens to these moneys should the band or the tribal council not complete negotiations. The act is also silent about those bands that do not enter into the process and may not want to enter into the process. There is no alternative open to them.

The First Nations Summit organization and their appointment of representatives is open to any band whether they are participating or not. I find this a little strange. It is a very fluid thing. They are not elected. It is very difficult to pin down. The compensation packages for the summit commissioners have no transparency whatsoever in terms of the arrangements for these appointments or the compensation for these appointments.

Clause 22 of the proposed act states that nothing in the act prevents the three parties from amending the agreement of September 1992. I mentioned this earlier. This is very problematic because this very agreement has been shown to compromise Parliament's ability to amend the very act we are being asked to pass at third reading. Therefore this is an unacceptable reverse onus, in my view.

I have other concerns. The municipal level of government is not recognized in the act. They are simply a sidebar arrangement through the provincial negotiators. Also, funding of recognized interests beyond the bands is not addressed in the act. There is $15.3 million a year going into funding of the aboriginal negotiating parties. Right now, through the provincial government the municipalities are receiving $250,000 per year. They have many concerns about that.

From their meeting last month, the Union of B.C. Municipalities is certainly expressing great displeasure about what this process has done. They have a responsibility to take part to represent their interests. They have no choice but to get involved because they are very much impacted. The 10 regional groups that now represent municipal interests in the treaty talks are capped at a $250,000 funding level. According to the Union of B.C. Municipalities, the municipalities are having to fund this thing out of local taxpayer funds to make up the difference.

The federal and provincial governments have spent more than $30 million on the negotiations since they began in 1993. Some of the municipalities in the lower mainland have competing aboriginal claims. Rather than having to deal with one set of claims, they have to deal with multiple claims over the same piece of ground. This is becoming very expensive for the municipalities. It is an unfair burden and one that should be addressed in this bill. The bill is silent on the municipal role.

There is no reference in the bill to readiness guidelines for the regional advisory committees. They are not in the terms of reference of the B.C. Treaty Commission. This has proven to be very problematic as well.

• (1325)

We have readiness guidelines for the other parties but not for the advisory groups at the local level. Because the readiness guidelines are not there, there is a tendency for senior governments and the negotiating parties to set a few people in place at the local level and then carry on with negotiations. As the keeper of the process, the B.C. Treaty Commission should have terms of reference that also include readiness guidelines for the consultation groups. That is not addressed. It is not there. And because it is not there this is not happening.

It was identified in the 1993 and 1994 B.C. Treaty Commission annual reports that there was no federal enabling legislation for the B.C. Treaty Commission. As as result, the B.C. Treaty Commission had major concerns. I asked what the reason was for the lengthy delay in bringing forth the federal legislation. Apparently it is related to summit concerns over the wording of one clause in the bill. I have to ask: How can one party's concern over one clause hang up or protract this legislation for more than two years?

The province has negotiated interim agreements which have compromised the B.C. Treaty Commission process. The B.C. Treaty Commission made that statement in its 1993 annual report. The bill does not empower the B.C. Treaty Commission to deal with that kind of concern.

In summary, Canada and British Columbia have budgeted $77.6 million over the period from 1994–95 to 1997–98 to the process. Given the weaknesses inherent in the bill, I will not be able to support the legislation.

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Madam Speaker, it is a pleasure to rise to join in the third reading debate on Bill C–107, an act respecting the establishment of the B.C. Treaty Commission. It is helpful to have the co–operation of the opposition members in support of the bill.

The events of the last few months, whether in B.C. or elsewhere, are convincing that issues of aboriginal rights and land claims can only be resolved through negotiation. It is very important to get on with the process. The sooner we can get the land claims settled the faster we can get on with economic development and other government issues.

I want to talk about the process upon which we have embarked in British Columbia and also about the importance of the economic development aspects, which need to coincide with this process, and the role in particular, in view of my position as Secretary of State for Science, Research and Development, of science and technology, in promoting economic development for First Nations people.

The Minister of Indian Affairs and Northern Development has recently visited British Columbia several times, the latest being November 24. During the summer he met with the First Nations Summit to report on the inherent right of self–government policy and he formally signed two of the four framework agreements. The signing of framework agreements with the Champagne and Aishihik, the Sechelt and the Gitksan–Wet'suwet'en First Nations are visible examples of the benefits and results of resolving these issues through negotiation.

• (1330)

Many other First Nations are working on framework agreement negotiations or completing the readiness stage. The government is committed to moving negotiations to conclusion rather than pursuing endless negotiations. That is evident from these recently signed agreements.

About 140 of the almost 200 B.C. First Nations want to sit at the table with federal and provincial governments to solve these issues. That represents over 70 per cent of the First Nations of British Columbia. Of the 47 nations in the process 25 have completed the readiness requirements. In 12 of those the 2 governments have also met our readiness requirements and 9 have completed or are working on framework agreements.

Clearly this process deserves the support of the House so that it can continue toward its goal of reaching acceptable, affordable and fair settlements.

It is important to note that we need fair settlements for all British Columbians and for all Canadians. That is the basis on which we must work.

It is important that third party interests be well taken care of in this process and indeed they are being taken care of. The British Columbia Treaty Commission process is the product of extensive consultations. In 1990 the federal and provincial governments established a task force to come up with a made in British Columbia approach to map out a negotiation process that could accommodate the many First Nations in British Columbia that wanted to negotiate settlements.

The recommendations of the task force were accepted by both governments and the representatives of the First Nations. One of the key recommendations was the establishment of the British Columbia Treaty Commission as an independent keeper of the process.

The task force also made several recommendations on public information and education as well as on consultation. The members recognize that treaty negotiations will succeed if both aboriginal and non–aboriginal communities understand why we need treaties and what those treaties mean.

As the negotiations for framework agreements proceed, governments must obtain background information on the communities, people and interests likely to be affected by the negotiations and establish mechanisms for consultation with non–aboriginal interests. These are among the criteria the treaty commission considers when it assesses the readiness of the parties to begin working toward a framework agreement.

In other words the commission will not give the green light to negotiate unless proper consultation mechanisms are in place. There is already a province–wide treaty negotiation advisory committee which my colleague spoke of but for each claim regional and even local committees are established, and these committees are becoming more and more active as parties move into the framework negotiations.

To date there are advisory committees up and running in Bulkley–Skeena, in Lilloolet–Pemberton, Westbank–Kelowna, the Lower Mainland, on Southeast Vancouver island, the west coast of Vancouver Island and the Sunshine Coast.

Regional advisory committees are also being formed in Central Cariboo, Kitimat–Skeena, Central Coast, the Desolation Sound area and in the Prince George and Nechako Valley. Clearly third party interests are a central part of the treaty making process in British Columbia.

It seems the demands of some to halt the negotiation process seem aimed at avoiding the issue rather than finding workable and honourable agreements.

The government remains firmly committed to negotiating treaties with First Nations across Canada where needed. We will stay focused on that objective because it is the only way uncertainty can be ended and all British Columbians can benefit.

I will speak for a few minutes on the importance of this process in going forward in economic development and in particular in the potential in the area of science and technology and telecommunications for economic development for First Nations people in British Columbia and elsewhere.

It is important we get through this process, that we sort out the settlements and finalize the situation. It is also important that we start building the economic framework and in particular the telecommunications. The telecommunications, the information highway infrastructure which the government has promoted from the moment we were elected is vitally important for communities in rural and remote regions of Canada and particularly for First Nations communities.

• (1335)

As we outlined early on in our mandate, this information highway infrastructure is essential for jobs and learning in rural areas. It is essential we move quickly in areas of access and it is fundamentally important that we move quickly in developing Canadian content. We need aboriginal First Nation content so First Nations people are not only receivers but providers of content in an increasingly important way.

One major effort we have made is in the SchoolNet process. This process is one to which we are committed to ensure that schools in all First Nations communities are linked to SchoolNet and to the Internet and can join the information highway as one important step not only in learning but in community development as we have moved into the community access program.

In British Columbia there are some important advantages in technology becoming available with ATM networks giving broad band, multimedia access on the information highway.

As recently as last week I was in British Columbia to announce the establishment of the telelearning network centre of excellence, linking communities across Canada and centred at Simon Fraser University. The development of teaching materials on the information highway using the worldwide web and other multimedia tools will enable delivery of learning and jobs at a distance.

In this context it is important to realize a big change is occurring. Universities like Simon Fraser are already putting courses on to the worldwide web so they can be taken from anywhere around the world. In a few years a number of courses will be dramatically increased and therefore the possibility of taking courses and learning materials from anywhere in Canada, from any First Nations community in Canada, will be there and realized.

The people at Simon Fraser are already working on the possibility of having all courses on the worldwide web by the year 2000. If that happens, what a remarkable achievement and what important new access to learning and post–secondary education it would give to people across Canada.

There is another side to the question. Even as the learning material becomes more available it is now more possible and more important to develop learning materials based in and coming from the First Nations people of Canada. This is also an important objective of the SchoolNet program and an important objective of economic development, to enable teaching materials to be shared from one First Nations community to another to develop content and learning materials which can be very

important as cultural expression for First Nations people into the next century.

As we proceed in settling land claims, providing the framework, it is also important we proceed with economic development, with the information highway so that it will allow people across the country and particularly First Nations people access to the information they need when they need it and where they need it.

This will allow better management of natural resources and a remarkable new array of economic development opportunities and jobs, particularly in remote locations, as is already starting to happen in small communities in northern British Columbia and remote communities in Newfoundland, setting up businesses on the information highway and worldwide web and to operate around the world.

It is a very different world from what we have lived in, one fundamental reason it is important to move quickly to settle land claims so we can move forward in development, learning and in new possibilities.

• (1340)

I urge my hon. colleagues to show support for this process, which will bring certainty to the province of British Columbia and renewed hope and prosperity to the people of British Columbia and particularly First Nations' people.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I listened very carefully to my hon. colleague's comments. He said the whole business of the Indian question and what to do about land claims, self–government and these types of issues will be resolved only through negotiation.

That is true. That is something we can all agree on. However, if that is true, why have so many of the Indian bands in British Columbia either backed away from this process or not participated to begin with?

One of the reasons we are opposed to this treaty process is that the only examples we can see are the ones history has taught us. Treaties enshrine special rights. They enshrine racism because certain rights are attributed to one group of Canadians based solely on their race.

The Reform Party believes the ultimate goal of any negotiations, as the hon. member said and I agree, is we must get to the point at which we can negotiate an end to these issues and put them to rest. The end goal must be the equality of all Canadian citizens, not further inequality, not enshrining inequality in agreements.

Another point is the finality. We believe on this side of the House these must be final agreements. They must bring about extinguishment of special rights and they must be final.

Once again when we look at history and at what happened with the settlements in the northern territories, we do not see that finality. Rather there are clauses in those agreements whereby any future negotiations that bring about benefits south of 60 could also accrue to those bands that have already completed negotiations in the territories. We do not have finality. Canadians do not know what the final bill will be.

One of the reasons the Charlottetown accord was defeated was the ambiguity of the Indian questions. In other words, what did native self–government really mean? How would it come about?

I heard my hon. colleague putting forward the Reform perspective that what we need is a very clear definition of whether self–government will be based on a municipal model or some third level of government. These are the types of questions Canadians want answered.

Where is the involvement of the third party during these negotiations, private landowners? There are a whole bunch of questions not answered and not adequately addressed by this treaty negotiation process presently under way and which this bill would enshrine.

In a constituent survey in my spring householder I asked a number of questions on native land claims because I wanted feedback from the citizens of Prince George—Peace River. The first question was: Does government have an obligation to negotiate modern day treaties with natives?

This is exactly what we are talking about today with this bill. It is interesting that although the returns were low, the sample size was low, of the more than 500 people who returned the questionnaire two to one voted no. They said we are not obligated to negotiate treaties.

For that reason and the others I outlined I will be joining with my Reform colleagues in opposition to this bill.

• (1345)

Mr. Gerrard: Mr. Speaker, let me rise to reply to the questions raised by the hon. member.

It is fundamental that we have a process of negotiation. It is also important that we have a framework so that there are not 200 separate processes going on simultaneously in British Columbia. We need a framework in which we can negotiate with British Columbia First Nations in order to move this process forward as rapidly as possible.

More than 70 per cent of the First Nations in British Columbia are involved in the process. Therefore, the concern that huge numbers will be left out will likely be mitigated. We will see what happens as we proceed further.

On the question of finality, in the end the process on which we are embarked will have an outcome which gives much greater certainty than we have at the moment. As a result of this process, we will be able to give important consideration to the situation in British Columbia for a stable and good future for both First Nations people and non–First Nations people and that will be a building block on which all British Columbians will benefit in the long run.

Mr. Hill (Prince George—Peace River): Mr. Speaker, I seem to be the only one who would like to participate in this debate with the hon. member.

I take exception to the point the member made that he believes this process will bring greater stability and certainty for British Columbia. That is certainly not what I have seen. I am not opposed to negotiations if they lead to the type of agreements that all of us and the vast majority of Canadians can ultimately support. My great concern and the concerns expressed to me all of the time from my constituents is that these processes are not doing that. They are driving a further wedge between the Indian people and Canadians at large.

A great concern of mine is that we are not bringing about finality or extinguishment of special rights. We are just further enshrining them.

Sometimes I question and am questioned as to whether we are really addressing the concerns of the average Indian in this country who in many cases is living in poverty on reserves. Or, are we really addressing the concerns of the Indian leadership which in many cases is vastly different from the primary concerns of the individual Indian?

It is estimated that combined provincial and federal spending is between $7 billion and $9 billion a year on Indian programs. When I travel to the reserves in my constituency, which, I am assured by colleagues in the House, are not that much unlike other constituencies, I see very few examples of where that money is being spent on the reserves.

I really question whether this process is the best way to address the concerns of the average native in this country.

Mr. Gerrard: Mr. Speaker, I have two quick comments in reply.

First, if the member is trying to suggest that we should go back and start all over again, I think we have made a lot of progress. We have a process which has been agreed to by the federal government, the provincial government and more than 70 per cent of the First Nations in British Columbia. It is a reasonable basis for proceeding and I believe we should proceed.

Second, when I spoke I deliberately talked about economic development, the information highway and the changing things that are coming. These are also very important in making sure that individuals and communities have the benefit of the changing times in order to move forward and progress to a better 21st century.

• (1350)

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on Bill C–107, an act respecting the B.C. Treaty Commission.

The aboriginal people tragically form some of the lowest socioeconomic groups within Canada, a first world nation. Indeed the incidence of violence, sexual abuse, crime, infant mortality, suicide, substance abuse and unemployment are among the highest of any sector within our country. It is not something our country should be proud of, and indeed we are not. That is why we are here today, to try to develop some sensible solutions to address these tragic problems within our midst.

I have seen with tragic frequency these individuals shot, stabbed, dying and sometimes dead from other people's hands and tragically too often from their own. It is a situation that needs to be addressed. It needed to be addressed yesterday but now we have an opportunity to do something about it today.

The cultural and social genocide which is taking place among the aboriginal people has been taking place for decades and continues to this day. In part this is due to successive governments that have continued in a paternalistic fashion toward the aboriginal people. They have had unequal treatment for the aboriginal people. Because this treatment is unequal, it is by its very nature racist in that we are treating the aboriginal people in a different way. We do not treat any other segment of our society that way.

The mindset has been to pour successive amounts of money into the department of Indian affairs for the aboriginal people. We continue to pour money down a black hole. If we look at the results of where this money has gone and wonder whether it has really gone to help the aboriginal people, if we go to the aboriginal people on and off reserve we will see that sadly it has not.

By pouring money down this black sinkhole, successive governments have created an institutionalized welfare state. If we continue to give money to people without them working for it, we erode the very soul within the individual. This does not matter if the person is an aboriginal or a non–aboriginal. It is a basic human characteristic. We cannot keep giving money to people and expect them to have pride and self–respect. It is incredibly destructive to the soul of a human being. It would

happen to anybody, aboriginal or non–aboriginal, who is subjected to this.

It is often said that the aboriginal communities have lost their pride and self–respect. Part of the responsibility lies in the fact that we have created this institutionalized welfare state, that we have continued to support people in this manner. It has done them a great disservice. Therefore we see the sad destruction of a beautiful culture and beautiful people. A person cannot get pride and self–respect by having someone give it to him. That person must earn it himself.

Essential to this is having the ability to earn the funds to support ourselves, our family and people. If we can do this, then from that we will develop the pride and self–respect in ourselves and therefore the community around us. That is absolutely fundamentally important in my opinion.

I spoke with an individual who is responsible for the B.C. treaty process in my area. This man was in charge of it. After listening to him for one hour on what they were going to do, I asked a very simple question: Will the negotiation of these treaties help the aboriginal on or off reserve who is part of that lowest socioeconomic group I spoke about earlier? He answered that he did not know.

It is not good enough to pursue a course of trying to help people who are suffering from those tragic things I mentioned earlier when it is not known that it is going to help anybody. Why are we pursuing this course?

• (1355)

Perhaps we are doing this to assuage a guilt complex we have from what has gone on historically. If that is the case, I think we should end it. It is not respectful to the aboriginal people and it is not respectful to us. We have to look forward to a new day, a new era, a new age when aboriginal and non–aboriginal people can have respect for themselves and each other, when we can all live under circumstances that we do not need to be embarrassed about.

I have many concerns about the B.C. treaty negotiation process. First is the cost. It is going to cost hundreds of millions of dollars to establish these treaties. Where is the money coming from? All levels of government do not have the funds to pay for this. It is a simple question for which I would like a simple answer. Where is the accountability coming from? These moneys are going to be given to groups of people with no accountability whatsoever. Accountability must be built into the system.

One of the complaints I have is not politically correct to speak of. I have spoken to a number of aboriginal people who have come to my office complaining that large sums of money given to bands by the federal government have disappeared. The money has disappeared into the hands of band elders and band leaders. Nobody speaks for those aboriginal people who are not in that leadership. They need that money and they need it to work for them effectively and positively for the future. In too many cases that is not occurring.

Second, there are a lot of questions surrounding the issue of giving the resource management to the aboriginal people. What happens to the rights of the non–aboriginal people who also have interests in these areas? They talk about crown lands and the fact that these areas are going to be given over to aboriginal people. The fact remains there are a lot of non–aboriginal people who lease these areas from the federal government. What is going to happen to them?

Also, look at the mismanagement which has taken place in some areas where aboriginal people have managed the resources. Look at the Stoney Creek reserve where large tracts of land were given out for timber rights and huge tracts of land were decimated.

Look at the aboriginal fishing strategy on the west coast. The AFS has proven to be an unmitigated disaster. An individual's racial grouping cannot be used as a licence to trash and destroy a resource. Unfortunately part of the responsibility of the decimation in the west coast fishery lies at the feet of the aboriginal people. There is no question that non–aboriginals have been poaching too. However, a significant number of people within the aboriginal community have been using the AFS to destroy a precious resource.

Who speaks for the aboriginal people who are law–abiding, who respect the resource and who are interested in preserving that resource for future generations? Absolutely nobody speaks about them. A number of aboriginal people have approached me and said: "These aboriginal people are using the AFS for their own gain at the expense of us who are trying to manage and use the resource in a sustainable fashion". This has to be said. Where are the environmental safeguards that are going to take place when whole resources are being taken over and given to a group of people?

Third, what are the rights of the non–aboriginal people who live near lands that are being given to the aboriginal people? I have significant concerns in my own area. Many municipalities have mentioned that they have their own municipal plans that deal with the future of their area. There are a number of areas that—

The Speaker: My dear colleague, you will have the floor right after question period when we resume debate. You still have plenty of time remaining.

It being 2 p.m. we will proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

CARDIOPULMONARY RESUSCITATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, November has been proclaimed awareness month for cardiopulmonary resuscitation, better known as CPR.

Cardiovascular disease is the leading cause of death in Canada and the leading cause of death among older women. More than 60,000 Canadians die every year from heart attacks and strokes.

The basic skills of CPR can be learned in as little as four hours, yet fewer than 3 per cent of all Canadians can perform it. Therefore Health Canada and the Heart and Stroke Foundation, together with the Red Cross Society, St. John Ambulance, the Canadian Ski Patrol, the Royal Lifesaving Society of Canada and the Advanced Coronary Treatment Foundation encourage all Canadians to take the time to learn CPR.

On behalf of the members of the House, I would like to support the initiatives of CPR awareness month and urge all Canadians to familiarize themselves with CPR. We should all know that a few hours of training could save the life of someone we love.

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COWBOYS

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the great riding of Yellowhead is home to Canada's royal family of rodeo, the Hay family from Mayerthorpe.

This family has a long and distinguished career in professional rodeo. Fred, the dad of the family, busted broncs until 1983, and his son Rod is a four–time Canadian finals rodeo champion. Now his brother Denny is continuing the Hay family winning tradition by capturing the first ever CFR saddle bronc title in Edmonton recently. It was a lifelong dream for Denny to win the national title. He began busting broncs when he was just eight years old. Now Denny and his brother Rod are off to compete in the national finals rodeo in Las Vegas, the only pair of brothers from Canada ever to compete in this world class event.

I am sure all members will join me in wishing Denny and Rod lots of luck when they take on the world's best. Good luck, Denny and Rod.

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[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, in view of the proposals made yesterday by the Prime Minister, Quebecers can now see for themselves that the federal government has no intention of responding to the legitimate aspirations of the people of Quebec.

It has become obvious that Ottawa never intended to renew federalism, as the proposals which have been put on the table amply show. Quebecers will never accept to have the wool pulled over their eyes in such a manner, and they will reject these empty proposals outright.

Quebecers who voted no at the last referendum, but who wanted real changes, will be even more disappointed and will feel betrayed once again by a prime minister who could not care less about their aspirations. As for those who voted yes, these proposals only confirm what they already knew. Ottawa's proposals will never meet Quebec's expectations, Quebecers bar none know it full well.

* * *

[*English*]

NATIONAL UNITY

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the NDP federal caucus calls on the Liberal government to realize that it cannot save Canada if it is busy undermining its foundations at the same time.

Recognizing Quebec's distinct society when the socioeconomic and institutional realities that make Canada distinct from the U.S. are being harmonized or rationalized out of existence is a tragic irony. Talking about vetoes and sovereignty is a cruel joke when we have abandoned real control of our lives to the global marketplace and the money speculators, not to mention that the veto proposal completely misunderstands western Canada and should have recognized B.C. as a region. Finally devolution of training as a facade for federal offloading and the privatization of labour market strategies is further cause for cynicism.

The Prime Minister should give Canadians something to believe in other than the bottom line mentality and they will be in a better frame of mind to deal with what Quebec and the rest of Canada need to do to keep Canada united.

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CHILD POVERTY

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, last week's Campaign 2000 report of a drop in the number of poor children in Canada is good news, but there remain nearly 1.4 million children who do not have the adequate food, shelter, clothing and social environment their peers enjoy.

Poverty is a serious threat to the growth development, and social well–being of children and therefore merits the continuing attention of all levels of government. Therefore I have introduced a private member's motion to encourage the government to create a special Canada children's future fund. This is to ensure that the elimination of child poverty remains at the forefront of our national agenda even during tough economic times.

I look forward to the full support of the House. All children deserve a secure and stable tomorrow, for they hold in their hands the future of our nation.

HUMAN RIGHTS

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, at the recent Commonwealth conference the Prime Minister reacted to the execution of Ogoni playwright Ken Saro–Wiwa by calling on the assembled heads of government to speak out with one voice in the face of flagrant violations of democratic principles and basic tenets of justice.

• (1405)

Following up actions with words, the Prime Minister pushed for an unprecedented suspension of Nigeria from the Commonwealth in the face of its flagrant violation of human rights and yet another example of the utter contempt held by General Abacha's regime for world opinion.

In light of this, I urge my colleagues in the Government of Canada to take this condemnation one step further by sending a stern message to the Government of Nigeria by cancelling all of its oil imports and imposing economic sanctions.

In light of these events, the citizens of the world must also send a message to multinational companies such as Royal Dutch Shell that they are responsible for more than simply maintaining the bottom line of their balance sheets. These companies must adopt environmental standards for their operations, especially in societies where opposition to their operations is repressed.

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ATLANTIC CANADA

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, on November 17 a group of maritimers met in Truro to discuss the concept of economic and political union of the maritime or Atlantic provinces.

Business people, academics, labour leaders and even a few politicians agreed that union is an old idea, going back to 1807, whose time has finally come. We must join together to eliminate wasteful duplication and provide lean government with cohesive policies for all Atlantic Canadians. We must join together to create new economic opportunities for our region and renew a sense of pride in our people. We must join together so that our voice is truly heard at the national level and our concerns are understood and respected.

The Truro meeting is only a beginning. An Atlantic union must be driven by the people of Atlantic Canada not the politicians. The Prime Minister has shown that Confederation is not static. Changes can and must be made to improve the operation of our institutions and the quality of life for our people.

Opinion polls over the last number of years show that the people of Atlantic Canada consistently support union. They are ahead of the politicians on this issue now, as they have been in the past. We would serve them poorly if we did not make every effort—

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[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, in 1982, as a result of the unilateral patriation of the Constitution, Quebec lost its veto, a right it had as one of the founding nations of Canada. Since them, every Quebec government has demanded that the federal government rectify the situation.

What is the Prime Minister offering us today? Crumbs. A mere bill, which could be struck down by the next government, creating a regional veto, which completely dilutes Quebec's claims. And there is more. It will be possible to amend the Constitution through a national referendum and sidestep Quebec's National Assembly. This is a far cry from the pre–1982 situation when the National Assembly had a constitutional veto.

Come on now. Does the Prime Minister really believe that Quebecers will be satisfied with mere symbols which bring about no change whatsoever?

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[*English*]

NAFTA

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, Americans subsidize their dairy farmers to the tune of $3.6 billion, yet they are challenging our high tariffs on dairy and other supply managed products. They have asked for a NAFTA panel to rule in their favour.

If the Americans win, our supply managed farmers will face open competition overnight and Canadian dairy and poultry producers may be devastated. Two billion dollars' worth of dairy quotas will become worthless, thousands of farmers could be forced out of business and many rural communities would be severely affected.

I ask the Minister of International Trade to be proactive rather than reactive and initiate a negotiated settlement, point out the sky high American subsidies and offer to reduce some of our tariffs in return for subsidy reduction in the United States.

I ask the government to negotiate because too much is at stake to play at winner take all. It is entirely possible that the NAFTA panel may say "Canada, you lose".

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PORNOGRAPHY

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, I rise today to bring to your attention the deep concerns of many of my constituents, especially in the districts of Cudworth, Wakaw and Humboldt, regarding pornography.

I have received many little white ribbons in recognition of WRAP week, "White Ribbons Against Pornography". The letter I received from Lana Reding explains it best. Lana wrote: "We feel that not enough is being done to protect families against abuse and pornography, especially our children, who are our future. In our church, St. Michael's Parish, we pinned white ribbons on our parishioners and they returned them the following week. Also our town of Cudworth declared that October 22 to 29 be recognized as WRAP week. There is far too much pornography on TV, in magazines and books exposing our children to sex, violence and crimes. They need to be protected from much of this. We hope you will pass these ribbons along to our Prime Minister and express our concern regarding WRAP week".

● (1410)

It is only when people like Lana Reding get involved in the process that meaningful change can occur. I commend my constituents for their efforts.

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NATIONAL UNITY

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the Prime Minister's announcement yesterday on change in the federal system honours the referendum commitments and also provides a lead up to the mandatory constitutional conference of 1997.

The initiative on distinct society reflects already existing law of the Constitution; that on regional veto commitments the federal government creates no additional constitutional barriers for provincial governments; that on manpower training signals the new co–operative federalism, with its emphasis on functional power sharing and flexible decision making on common social problems.

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[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, yesterday, as he had promised during the recent referendum campaign in Quebec, the Prime Minister of Canada outlined the first elements of the strategy to renew Canadian federalism.

Through this proposal, we are tackling head on the notions of distinct society, regional veto and job training. It shows that this government responds to the legitimate demands expressed by all Canadians.

Yesterday, Quebecers found out that, more than ever before, they can count on the Prime Minister of Canada and his government to address the issues they care about.

Yesterday, all Canadians learned that, when their Prime Minister promises something, he delivers.

[*English*]

Yesterday Quebecers received yet another confirmation that the Prime Minister of Canada is listening to their concerns and that they can count on the government to address the issues that are important to Quebec.

Quebecers once again see proof that when their Prime Minister promises something, he delivers.

The Speaker: I remind colleagues to use the titles of members rather than their names.

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[*Translation*]

THE LATE ODETTE PINARD

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, today, we mourn the senseless death of Odette Pinard, an officer in the Montreal Urban Community police department.

A mother of three young children, Mrs. Pinard had worked as a police officer for nearly 10 years. She could have looked forward to a successful career in the Montreal Urban Community police department.

I would like to offer our sincere condolences to her family, her friends and all her colleagues in Montreal. Her death reminds us of both the fragility of life and the difficult work done every day by police officers, particularly those in our major centres.

When we ask the police to help us and protect our communities, our homes and our lives, we are in fact asking policemen and women to do a job, sometimes at the cost of their lives. Odette Pinard's death reminds us of their courage and dedication, for which we are all grateful.

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[*English*]

FISHERIES

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, this is a simple message and even the fisheries minister's blowhard rhetoric and double talk cannot stifle it. Fishermen across Atlantic Canada are protesting the government's broken promise of "no tax increases".

From St. John's to Saint John, from Glace Bay to Yarmouth, the cry "Axe the fish tax" is being heard. Since that cry is falling on deaf ears, Reform, along with local citizens, have unveiled a billboard in Yarmouth protesting this unfair tax, one of many billboards in Atlantic Canada that will remind thousands and thousands of passers–by that the so–called fee is in

fact a tax. This tax will rob Yarmouth of $3 million, southwest Nova Scotia of $18 million and rob Atlantic Canada of $50 million.

There is no excuse for broken promises. There is no excuse for a new tax. There is no excuse the government can offer fishermen whose pockets are being picked.

Leave the money at home. Mr. Minister, axe the Tobin tax.

* * *

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, by announcing the details of his three main initiatives for change yesterday, the Prime Minister of Canada kept his referendum promises.

Yesterday, the Government of Canada tabled a motion to ensure that the Quebec's distinct society be recognized in the Canadian federation. Legislation establishing a regional right of veto will be introduced to give Canadians from all four major regions of the country the assurance that no constitutional change will be made without their consent. The Government of Canada will withdraw from manpower training; the provinces will then be quite free to develop their own policies and programs in that area.

These first three initiatives clearly show that we are committed to helping build a Canada that better meets to the needs and aspirations of its people and is more sensitive to them.

* * *

• (1415)

RENEWAL OF CANADIAN FEDERALISM

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the Prime Minister of Canada's press conference was barely over when positive feedback started pouring from Quebec.

Reacting to our Prime Minister's proposals, the leader of the Quebec Liberal Party said: "First of all, we have to salute the Prime Minister of Canada's willingness to act. It is a first step in a process that should start now".

This initial reaction of the Leader of the Official Opposition in Quebec tends to prove that our government has correctly heard and understood the desire for change expressed by the people in the referendum.

Let us hope that, as the official opposition in the National Assembly, the Quebec Liberal Party will be able to convince the PQ government to set aside its separatist obsession and help renew the Canadian federation, as requested by the people of Quebec.

ORAL QUESTION PERIOD

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday the Prime Minister hastily announced measures with which he intends to meet his referendum commitments. In fact, he is trying to fool the public, but Quebecers will not be fooled by these cunningly worded resolutions on the distinct identity of Quebec, any more than they will be by the sham veto he proposes.

My question is directed to the Prime Minister. Considering that the cabinet committee on constitutional change only recently started its work and that the timeframe for unemployment insurance reform has again been changed as a result of his statement yesterday, will he acknowledge that his improvised announcement is intended to counter increasingly overt criticism of his leadership and his failure to deliver the goods?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we acted quickly. I had a text when I spoke to Canadians on the Tuesday and Wednesday of the last week before the referendum. What I did today was keep the promises I made to the Canadian people and especially to the people of Quebec, that is take steps to recognize Quebec as a distinct society and ensure that, in future, there will be no changes in the Constitution without the consent of Quebecers.

During the past four weeks the committee has had time to review everything I mentioned at the time, and that is what I delivered.

As for unemployment insurance reform, it will come. The bill will be tabled Friday, and the Leader of the Opposition will have all the details. However, as we have said on many occasions in this House, we decided that we would respect jurisdictions and that there was no longer any need for the federal government to be directly involved in manpower training programs. We intend to make the money available to clients who are our responsibility so they can receive these services from their provincial government.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, perhaps it would be useful to recall that the man who just spoke is the main artisan of the forced patriation of the 1982 Constitution and of the demise of Meech Lake.

We know that nearly half of Quebecers supported sovereignty in the referendum and that many others voted for a thorough overhaul of the federal system. That being the case, what makes the Prime Minister think that Quebecers will be satisfied with a mere resolution that is meaningless as far as Quebec's distinct identity is concerned?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if the Leader of the Opposition feels that a resolution of the House of Commons is not enough, he should tell the House that as soon as he is premier of Quebec, he will support a constitutional amendment recognizing Quebec as a distinct society. If he does, I will assume my responsibilities as Prime Minister and discuss it with the provincial governments.

I am sure that if the Leader of the Opposition wants to entrench the concept of distinct society in the Constitution, the provincial Premiers will recognize his request. I think we could have a constitutional amendment very quickly. It could be done in a matter of months.

• (1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if I ever take on the duties referred to by the Prime Minister, I would consider it an insult to my position and to Quebecers to accept a solution that is unacceptable. Even his ally, Mr. Johnson, would refuse.

How can the Prime Minister expect Quebec to take seriously a resolution that falls far short of the proposal in the Charlottetown Accord which was rejected in no uncertain terms by Quebecers in the 1992 referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I and my party are in favour of recognizing Quebec as a society that is distinct because of the French language, the culture that is specific to Quebec and the fact that in Quebec we have always had a civil code based on the Napoleonic Code. So everyone knows this is a fact that can be easily recognized in the Constitution.

However, today it seems quite clear that the Leader of the Opposition is not interested in having Canada recognize Quebec as a distinct society.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in his last minute improvised announcement, the Prime Minister remained true to himself in proposing to recognize Quebec as a distinct society, purely symbolically, through a simple parliamentary motion, which will give Quebec neither special status nor additional power.

How can the Prime Minister seriously think he is satisfying Quebecers, nearly 50 per cent of whom voted for sovereignty in the last referendum, with a simple resolution of the House of Commons symbolically recognizing the distinct nature of Quebec but without any additional power? Is this not an insult to their intelligence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the insult will come when the Bloc Quebecois votes in this House, based on what we see today, against the notion of distinct society for Quebec. If the Bloc Quebecois really wants it to become a constitutional proposal, they should pressure the future head of the Government of Quebec to pass a resolution in the Parliament of Quebec, and then we will see it is passed, and convince the provinces to pass it.

However, if the current Government of Quebec—or the January government—does not want Quebec to be a distinct society under the Constitution, there is nothing I can do.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, with all due respect for the Prime Minister, I have strong doubts that the future Premier of Quebec will agree to something Mr. Bourassa turned down at the time.

After hastily tabling his proposal, without awaiting the report of the phoney committee headed by the Minister of Intergovernmental Affairs and without consulting his partners in English Canada, how does the Prime Minister think he will convince Quebecers of the seriousness of his actions? Will he admit to badly playing his last card, which looks oddly like a two of spades?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I can hardly wait for the member for Roberval to rise in this House and vote against the distinct society. For the first time we have an opportunity to speak clearly, not in the context of a thousand things, but on a very clear issue—

Mr. Bouchard: It is a sham.

Mr. Chrétien (Saint–Maurice): —a very clear issue: Is Quebec a distinct society because of its language, its culture and its Civil Code?

Mr. Bouchard: The Napoleonic Code.

Mr. Chrétien (Saint–Maurice): I am not ashamed to admit I know that Quebec's Civil Code dates back to the Napoleonic Code. If it offends the Leader of the Opposition, too bad for him. It is a fact of history. I can hardly wait to rise in this House and vote for Quebec's recognition as a distinct society, and I will watch the Leader of the Opposition vote against it, with a smile on my face.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I too have reviewed the Prime Minister's November 27 statement on unity measures and find the lack of content almost unbelievable.

• (1425)

Canadians inside and outside Quebec want fresh thinking. They want realism, not symbolism. They want a fundamental change in the way the federation operates. Instead the Prime Minister has offered them the tired old thinking and formulas for failure that doomed the Meech Lake and Charlottetown accords and almost lost the referendum on October 30.

My question is for the Prime Minister. Is this all there is, recycled amending formulas, hollow symbolism from failed accords and lip service to decentralization? Is this really the best that the Prime Minister of Canada can offer on the subject of national unity?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made a speech in Montreal that was very clear. It was in written form and I am pleased the leader of the third party read it. It is exactly what I promised.

I said that the Quebec people because of their language, culture and the civil code are different from the rest of Canada. I have no problem with that.

I am offering a possibility for the rest of Canada to have something to say in the evolution of Canada as proposed by the leader of the third party who talked about regions in his document called "New Confederation" and said that all regions were entitled to equal status in constitutional negotiations. That is exactly what we offered the four regions of Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): We will have a lot more to say on that tomorrow, Mr. Speaker.

The contents of the Meech Lake and Charlottetown accords were flawed because the process for developing the contents were flawed. Meech Lake and Charlottetown were top down, closed door, politician driven approaches to change which failed to carry the judgment of Canadians because Canadians were not involved.

Yet in coming up with this package the Prime Minister has not only ignored the lessons of Meech Lake and Charlottetown. He has taken a huge step backward. He involved fewer Canadians in developing this Quebec package than the Meech Lake and Charlottetown gang did in theirs.

Is the Prime Minister following any recognized process at all, or is he just making this stuff up as he goes along? If there is a process, why is there no meaningful role in the process for the provinces or the people of Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made some commitments in Montreal on behalf of the people of Canada.

Perhaps the leader of the third party does not agree with what I said. Of course it was at a time when he was offering subsidies for Quebecers to move out of Quebec. That was his solution to national unity.

We want to fulfil our commitments and get back very quickly to dealing with the real problems of the country: jobs and growth. However, because the leader of the third party cannot attack the government on the substance of the operation of the nation, he would like to discuss the Constitution around the country. That is not our intention. It is to deal with the economy and job creation and dispose of these commitments within weeks.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister ignores questions about the lack of content in his package. He ignores questions about the flawed process. Maybe he will answer a question about the strategy behind the package, which is bizarre to say the least.

The Prime Minister has apparently decided to build a case for national unity on the concept of distinct society and a constitutional veto, two areas where there is little public or provincial support. He has chosen to ignore the one area where there is a real desire for change both inside and outside Quebec, namely the realignment of federal and provincial powers.

Is the symbolic tinkering with manpower training the government's only response to Canadians' demand for a major realignment of federal–provincial powers? Is that all there is?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in the announcement I made on manpower training yesterday there was a very big move of clarification. It is a complaint that was mentioned by all the premiers over the last two years. However, we had to wait for the Minister of Human Resources Development, who will soon be tabling his bill on the reforms to the unemployment insurance program, before suggesting any reforms in that field.

• (1430)

I have discussed the strategy with the premiers and with this caucus. I know the Reform Party's position on this strategy is exactly the same as that of the Bloc Quebecois.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, in an attempt to enlist the support of the premiers in English Canada, the Prime Minister was forced to render Quebec's recognition as a distinct society meaningless, so as not to violate the principle of equality for the provinces.

This is so true that the so–called right of veto was offered to all regions of Canada, while responsibility over manpower training, which has yet to be defined, will be offered to every province.

Will the Prime Minister recognize that he was forced to render Quebec's recognition as a distinct society both meaningless and useless, so as to make it acceptable to the rest of Canada, which is so attached to the principle of equality for the provinces?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I want to make it clear to the hon. member that the Prime Minister represents all Canadians, not just English–speaking Canadians.

I also want to tell him that Quebecers rejected the very ambiguous separatist proposal. Now his party must comply with the will of the people, which means it must work within Canada.

As for the regional veto proposal, it was accepted by all Canadian premiers a long time ago. It makes perfect sense to me that Ontario, with 40 per cent of the country's population, should get such a veto, as well as two provinces representing a majority in western Canada, and likewise in eastern Canada. Such a proposal does not belittle anyone.

I think that, in Canada, we must all co–operate, and this is what we are proposing to do with this offer. I can see the despondency of Bloc Quebecois members who are about to vote against a distinct society status for the province of Quebec.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, how can the Prime Minister put the whole burden of the proof on the back of the Quebec government, considering that the premiers of British Columbia, Alberta and Manitoba have serious reservations about his proposal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member just criticized me for trying to propose a regional veto, because some provinces would like a veto for each and every province.

What we have done is to impose on the federal government a technique to use its own veto right. If Quebec no longer has a veto right as it thought it had once, it is because the PQ government of the time opted for a formula different from the Victoria proposal and, in doing so, eliminated the veto right that Quebec was seeking.

I can understand the despair of Bloc Quebecois members, who can see that we are solving two problems at once, in that we are recognizing Quebec as a distinct society, while also taking action to prevent any constitutional change without Quebec's consent. This is a commitment that all members of this House will soon be making. It will quite something to see the Bloc member oppose a motion seeking to make it possible for Quebec to have a veto right.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in 1992 both the Liberal Party and the Reform Party fought for national referendums on constitutional change. The current Prime Minister was successful in having the Liberal Party pass a resolution that stated: "The Liberal Party of Canada stands for the principle that the Constitution belongs first to the people and that the people must have a say in how the Constitution is changed".

Why then has the Prime Minister, instead of giving the people of Canada a say through a national referendum, decided the legislative assemblies, the direct notice of government and provincial governments can have a veto over federal constitutional change?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are not at the stage of changing the Constitution. We are saying we are changing the way we, the federal government, will use our veto powers.

The House of Commons has a veto power. We say which way we will use it. The Constitution remains the same. The amending formula is the same and there is no proposition at this time to change the Constitution.

If the Government of Quebec were to say it is willing to change the Constitution to have a distinct society, as it is written in the Constitution at this time, we must have the consent of seven provinces, representing 50 per cent of the population.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the question was not answered. Why has the federal government not given the people of Canada a say in these kinds of changes through a national referendum on its own ratification?

I point out to the Prime Minister that we asked him this question about his Verdun speech on November 1. The Prime Minister said to the leader of the Reform Party: "The hon. leader of the third party should take time to read my speech. I said it would be a veto for the people of Quebec".

Since the people of Quebec voted against separation, why has the Prime Minister turned around and instead of giving the people a veto, given a veto to the future premier of Quebec, the separatist Leader of the Opposition?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, for the Reform Party there is a reality. Is the Government of Quebec a legitimate government? Like the government of any other province it as been elected and I have to respect that reality.

I would rather have another government, which would be possible the day the Reform Party supports this party rather than supporting the Bloc Quebecois in the House all the time.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, immediately following the Prime Minister of Canada's announcement, the provinces of Canada voiced reservations on both the so–called right of veto and the scope of resolution on the distinct character of Quebec. It was obvious that the premiers of English Canada had not been forewarned of this initiative by the federal government.

How can the Prime Minister have the gall to present his initiatives of yesterday as the end result of his referendum promises when, immediately following his announcement, a number of provinces in English Canada, including British Columbia and Alberta, voiced serious reservations about the federal plan?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the fact that they have reservations does not mean I spoke to them. I am simply saying that I made commitments in my capacity as Prime Minister during the referendum campaign, saying that I would deliver the goods. I have said that, in the past, I and my party have recognized Quebec as a distinct society and that we would recognize it as such in the future. That is what we shall do in the very near future.

We are taking steps, and that is the commitment I have made, not to change the Canadian Constitution without the consent of Quebec. There will be legislation on this, in Parliament. I am most anxious to see how the critic will vote, whether she will vote against the decision of this Parliament not to change the Constitution without the consent of Quebec.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, are we to understand that the Prime Minister, as he did in 1980 following the referendum, is in the process of acting unilaterally, attempting to present not only Quebec but the other provinces as well with a done deal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am working within the federal jurisdiction. I am the Prime Minister of Canada. I invite the members of this Parliament to make a decision on the distinct society and on the right of veto for the four regions of Canada, within the capacities of this Parliament. There is nothing mysterious in that.

We, the members, are the ones who will all have to make up our minds a few days from now. When everyone has voted, then it will be a done deal, yes. The members of this Parliament, the large majority, thanks to the Liberal Party of which I am the leader, will have voted in favour of a distinct society and to ensure that the veto will be shared with the four regions of Canada.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister is creating a cloud of confusion on the issue of a constitutional veto. Could he clarify for the benefit of his own members, as well as ours, exactly what he means when he talks about giving a veto to Quebec? Is he talking about giving a veto to the Government of Quebec or is he talking about giving a veto to the people of Quebec through a constitutional referendum? Will he make it crystal clear what he means?

• (1440)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I mean that the people of Quebec have a parliament and an assembly where they have people elected. They will vote, just like the people of Alberta will vote, through the members of their legislature.

We say it is a desire of the House that we not proceed without the approval of the four regions of Canada, as the hon. member is asking in his program to recognize the four regions of Canada. Quebec will vote on that. There might be a referendum, there might not be a referendum, but under the Constitution when we amend the Constitution it is always by a resolution of a legislative assembly and the Parliament of Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, let us get this straight. When the Prime Minister talks about giving a veto to Quebec he has just said that what he means is giving a veto to the Government of Quebec. Will he confirm that in other words he is proposing to give the separatist government of Quebec a constitutional veto over the Constitution of Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have never seen so little respect for democracy in my life.

We are giving a veto. The veto is ours. We say we will not impose on the people of Quebec or the people of Canada an amendment to the Constitution that does not have the consensus of Quebec, Ontario, the west and the east. This Parliament will decide and we will establish the conditions.

However, we have this notion that suddenly a great friend of the leader of the third party is the leader of the Bloc Quebecois. They used to have breakfast together; now we see them in the same bed. Now to see him disappear is a bit disappointing. The reality is there is a legitimate government in Quebec and it exists according to the Constitution of Canada.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, through his initiative announced yesterday, the Prime Minister is offering Quebec a mere resolution of this House, in which the recognition of Quebec as a distinct society is simply a symbolic recognition of an actual situation. They are telling Quebec that it is distinct but, in fact, this changes nothing in terms of power.

Will the Prime Minister admit that his proposed distinct society resolution will give Quebec no special status or additional powers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the recognition of Quebec as a distinct society should eventually be enshrined in the Canadian Constitution, and the courts will interpret it as they see fit. We in the government cannot make decisions that are up to the courts. For the moment we have instructed the Canadian Parliament, the executive branch of Canada's government, to take this reality into account. This is indeed a reality that we hope this Parliament will recognize, and we will soon vote on it.

If the Bloc Quebecois and the Parti Quebecois want this to be recognized in the Constitution, we will start talking. We have already spoken with the provinces and, as I said yesterday, I am sure that, if the Bloc Quebecois and the Parti Quebecois want recognition as a distinct society to be enshrined in the Constitution, the provinces will be happy to oblige, because, like me, they want Quebec to remain a part of Canada.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this, however, is different from the Meech Lake accord, which required the courts to interpret the Constitution in light of Quebec's distinctiveness. We are nowhere near there. We are still dealing with the deflated Meech Lake balloon as seen by the Prime Minister in 1990, when he killed the proposed reform. And he knows it.

• (1445)

Does the Prime Minister share the opinion of his minister—

Some hon. members: Oh, oh.

Mr. Duceppe: Mr. Speaker, could the Deputy Prime Minister stop shouting?

Some hon. members: Oh, oh.

Mr. Duceppe: Again—

The Speaker: I would ask the hon. member to put his question.

Mr. Duceppe: I was getting to it, Mr. Speaker.

Does the Prime Minister share the opinion of his Minister of Intergovernmental Affairs and chairman of his phoney committee to save Canada, to the effect that the proposed recognition as a distinct society does not in itself involve new powers for Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what has always surprised me is that all PQ members in the National Assembly voted against Meech. Every last one of them.

It happened when the Leader of the Opposition decided to turn his back on his friend, the then Prime Minister, to oppose the Meech Lake agreement. I myself was not even a member of this House at the time, so I do not know why I am being blamed for so many things. Of course, it is easy to make accusations. The hon. member should ask Mr. Parizeau and the other PQ members then sitting in the National Assembly why they voted against Meech.

Today, I want to correct this whole situation and give Bloc members an opportunity to vote for the recognition of Quebec as a distinct society. We will see in a few days what they will do.

[*English*]

TAXATION

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Last weekend I met with constituents in my riding of Brant to begin our prebudget consultations. Among many topics of interest my electors registered their continuing concern about the underground economy and its impact on our ability to manage the deficit.

What has the minister done to date to control the leakage of millions of dollars in revenue into the underground economy?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for her question and also for the consistent support she has given to making the tax system more efficient and fair over the last two years.

In fact, it is two years ago this week that I announced a series of major initiatives to attack the underground economy. They are specifically: more co-operation with the provinces, including agreements on exchange of information; more co-operation with industry associations, again with respect to information and also assistance in our efforts; more service for ordinary Canadian taxpayers; more publicity for people who unfortunately break the law. I am happy to say these have resulted in substantial improvements on the revenue side. Over those two years these specific measures have totalled $1.1 billion of revenue that would otherwise not have been collected.

* * *

QUEBEC

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, when Canadians buried the Charlottetown accord six feet under, I thought I had seen the last of the elitist backroom boys, but I was wrong. The Liberals have even one upped the Tories.

The sum total of this Prime Minister's consultation process was this: an interim report from the national unity dream team; a couple of heart to hearts with the dynamic duo of Pelletier and Goldenberg; a few quick phone calls to the premiers; and a last minute briefing of his very own caucus.

My question is for the Prime Minister. Why were the Canadian people, the people and not the governments, left out of the process again? Will the people have a direct say on his government's Quebec package?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people of Canada were very happy that we participated in the referendum and helped to win it. At that time we were being attacked daily by the Reform Party rather than receiving its help.

• (1450)

The people of Canada want us to get back to job creation and growth. The people of Canada want the Prime Minister of Canada who speaks for all Canadians to deliver on the goods he promised in Montreal the week before the referendum.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the people of Canada will be begging the question, why in the world did he bring this up yesterday afternoon? Why do we not get on with job creation? Let us do it.

The Prime Minister's style is often likened to that of Louis St. Laurent but I think Louis XIV maybe is more like it. The Prime Minister did not consult with Canadians. He did not consult with the premiers. He did not even properly consult with his own caucus who are watching this show today before announcing the Quebec package. They know it and we know it. They have been talking to us. What is worse is that the government does not trust the Canadian people to give them the final word on these measures.

Will the government commit today to a free vote in the House of Commons on its proposals? Will it then give the Canadian people a direct and final say on the Quebec package?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we made this proposition because we made a commitment on behalf of all Canadians one week before the referendum to do something. This is extremely important after what the Canadian people said at that time. Thousands of Canadians came from across the land to say to the people of Quebec that they want Quebec to remain in Confederation. They want to keep this country together.

The people of Canada want the Prime Minister to deliver the goods. He will do that and quickly.

* * *

[*Translation*]

MANPOWER TRAINING

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question also is for the Prime Minister. The very day that the Prime Minister claims to recognize Quebec's distinct society status, he refuses to follow up on the Quebec consensus to the effect that the federal government must transfer to the province the powers and resources related to manpower training. There is quite a contradiction between these meaningless statements and the facts.

Will the Prime Minister admit that his proposal to give the money allocated for training directly to the unemployed and bypass the Quebec government and its manpower development commission, which includes officials representing management, the unions, the government and various other institutions, prevents Quebec from implementing a true manpower and employment policy, as requested by everyone?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member could not have been listening very well to the words of the Prime Minister.

He said that we would be transferring responsibility of many of the training programs. They show the reflection of the very extensive discussions we have had across Canada which I wish the Reform Party would acknowledge and receive. At the same time, we would want to do that in full consenting agreement with the provinces. We want to work with the provinces because we share one fundamental objective which is to help people get back to work and be employed.

I hope that when the hon. member's leader becomes the next leader in the Government of Quebec he is prepared to live up to his commitment which is to get away from any of these other discussions and focus on the question of jobs. If he is prepared to focus on jobs so are we and we think we can work together.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, given that the government says it will keep the money, that it will, in fact, not transfer any responsibility, and that it will continue to control the content, standards and results, how can it call its initiative a decentralization? There is a contradiction here between the statements and the facts.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the member is so full of misinformation and contradiction. It really is quite remarkable and amazing how one person can be so wrong so many times.

The reality is that we said we want to find additional resources to help people get back to work. The whole point of putting this in the context of a major fundamental restructuring of the entire employment insurance program is to find the resources to help people get to work and to work with the provinces, communities and businesses to make that happen.

• (1455)

The problem is that the hon. member is not interested in getting people back to work. She is simply interested in dealing with a bunch of abstract constitutional issues. More important, she simply wants separation. She does not want employment for people in Quebec.

THE CONSTITUTION

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I insist upon an answer to the questions I asked earlier in question period.

The Prime Minister knows that the provinces of Canada already have a say in constitutional change through the amending formula. The people of Canada do not have a say. The Prime Minister has promised repeatedly over the past three years to give the people a say through referenda on constitutional change. Why is he backing down on his promise to have national referenda on constitutional change?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not very complicated. A vote will be held in the House of Commons as quickly as possible. We will then return to our work on jobs and growth. It will be easy. We will vote and then we will return to the real problems of Canada.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, if the Prime Minister wanted to have a real agenda on jobs and growth he should have presented one instead of presenting the bill on constitutional change.

The people of Quebec voted against separation. The Government of Quebec is ignoring those results and continuing to pursue separation. Why is the Prime Minister in bed with the separatists promising them a veto on constitutional change instead of the people of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not want Canadians to suffer further discussions, committee hearings, commissions and referenda on every little comma in the Constitution. They do not want to hear about it.

I understand that the Reform Party is confused. Reformers want to talk about it because their own agenda for the politics of Canada has gone down the tube. Let them boil in their own juices.

The vote on the Constitution will be held very soon. After that we will be addressing other very important problems. On Friday we will table a very important reform with respect to jobs and growth. I hope that the Reform Party, rather than asking questions, will vote for it so that Canadians can benefit from the program in the near future.

* * *

FISHERIES

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Today the hon. member for Skeena stars in an advertisement on the government's proposed fishing licence fees. How does the minister respond to allegations that licence fees are being applied in a racist manner and that the Canada Oceans Act proposes the use of politically appointed boards to manage the fishery?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is true. Half–page ads at $7,700 per ad have been taken out to support the Reform Party policy on the fishery, pondering up visions of the federal government being engaged in a "racist based fishery".

I have in my hand a copy of a letter written to the hon. member for Skeena and to the leader of the Reform Party by Michael Belliveau, the executive secretary of the Maritime Fishermen's Union. It states:

> Dear Sir,
>
> Who gave you the 'god–given right' to poison attitudes towards First Nations peoples? Your press release, 'Tobin tax blatantly racist', is a disgrace and Orwellian to boot—
>
> Do not send us any more such contorted garbage".

* * *

THE CONSTITUTION

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is directed to the Right Hon. Prime Minister.

The Prime Minister and everyone else will know that the western part of Canada is made up of two very distinct regions: the prairies of western Canada and the province of British Columbia, which is the third largest province in Canada. It is a province with a distinct history, a distinct geography and a distinct economy.

• (1500)

In determining the regional veto powers, why did the Prime Minister ignore the people of British Columbia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are giving people of British Columbia more power than they have now. Because they represent 47 per cent of the population of the west, we are giving them a lot of power when we talk about the number of people.

If the NDP government of British Columbia were not blocking people coming into British Columbia who want to move there because some might be on welfare, which is against the law of mobility in Canada, very soon B.C. would have more than 50 per cent of the population in the west. Then it would have its own veto.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of members to the presence in the gallery of His Excellency Jacek Buchacz, Minister of Foreign Economic Relations of the Republic of Poland.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

BRITISH COLUMBIA TREATY COMMISSION ACT

The House resumed consideration of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, as reported (without amendment) from the committee.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I was speaking about the aspects of the rights of non–aboriginal peoples living in areas adjacent to areas where land claims are currently under negotiation.

• (1505)

There are some very grave concerns in my riding of Esquimalt—Juan de Fuca and other western communities about what happens when a municipality in the future puts forth a 10 or 15–year plan for the surrounding area and another group working independently within its midst is able to completely change the entire demographic of that area? This is but an example taking place all across the country. Nowhere among these treaty rights is it stated what the rights of non–aboriginal peoples are in areas adjacent to the treaty areas.

Furthermore, a lot of these negotiations are taking place behind closed doors and away from the eyes of the people who will be affected by the decisions made by both the provincial and federal levels of government.

It is grossly iniquitous that these decisions and negotiations take place behind closed doors, in private and in camera. They must be made full knowledge to the public. It is the aboriginals and non–aboriginals who will be affected by these treaty negotiations. Therefore that has to be built into these negotiations but it is not.

More than 50 per cent of aboriginal people live off reserve. How do these treaty negotiations affect those individuals living off reserve? Many aboriginal peoples living in urban areas suffer tragic levels of substance abuse, violence and sexual abuse. It is tragic to see the lives these individuals endure.

I ask those here in the House how these negotiations actually affect the lives of these people? How does it improve their lives to be able to dig themselves out of the sad situations they have found themselves in? How does this give them the ability to stand on their own two feet and take care of themselves? I have never heard an explanation to this question regardless of whom I asked who was involved in the treaty negotiations.

It is fundamental for any person, aboriginal or non–aboriginal, to take care of themselves that they have the skills to do this. One of the roles of government can be to provide these skills and opportunities to enable people to take care of themselves.

I wonder if these land claims will actually do that. I cannot see that happening. For many of the people the earning power they would require to earn money and fulfill the lifestyle they require simply cannot be done on many of the areas being claimed today.

We support good skills training for aboriginals and non–aboriginals alike. We support good social programs where accountability has been built into the system. We support social programs that address good counselling for the people who are suffering. We support the elimination of the Indian Act, a paternalistic and racist act.

Above all, if there is one principle that should override everything, it is equality for all people. If we do not have equality for all of us how can we have equality for any of us? It is fundamental that we approach these negotiations with that fundamental principle in mind. It is something that Canada and Canadians have stood for through their entire history and something that Canadians have died for to give us that right today. I hope we do not abrogate that responsibility to our past by engaging in activities that make sure some people are more equal than others.

We support the hereditary activity of aboriginal peoples: the hunting, fishing and trapping under the treaty negotiations taking place. It is a fundamental right of the aboriginal peoples. However, we do not support utilizing those hereditary rights to be manipulated in such a way that would enable resources to be destroyed.

We support self–government for aboriginal people but at a municipal level. At a municipal level it gives them, as it gives all of us, the ability and right to determine destinies as individuals and as groups.

• (1510)

We cannot have completely autonomous states. That would result in the balkanization of Canada. The worst case scenario is that we have hundreds of small, autonomous non–functional states. That is the ultimate possibility that exists in these treaty negotiations. It is important that we recognize this idea is fallacious and cannot occur.

Everyone in the House wants to ensure the tragic situation that many aboriginal people find themselves in is changed now. They cry for help. It is a cry of desperation that must be answered.

It does not work to treat individuals in a paternalistic fashion. They must be treated in the same fashion as we would treat anybody else, as equals. We must provide these people with the skills and ability to stand on their own two feet. By doing this they would develop pride within themselves, pride in their communities and pride between people.

If we can do this we would go a long way toward developing a more peaceful, tolerant society between aboriginals and non–aboriginals. Sadly the course that has been taken, rather than bringing people together is causing deep divisions and rifts between aboriginals and non–aboriginals. This is sad because

there is much that can be learned from all of our cultures. The aboriginal culture is a beautiful culture and we need to learn much from it.

It is time we moved ahead toward a new era of respect for others, respect for ourselves and equal treatment for all.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it is a privilege to rise on behalf of the constituents of Okanagan—Similkameen—Merritt to oppose Bill C–107, an act to establish the British Columbia Treaty Commission.

Bill C–107 is a fine piece of legislative engineering in theory. The *i*'s are dotted and the *t*'s are crossed. It has been translated in both official languages. It has been printed and distributed in incomprehensible legalese. However there are three important issues that call this legislation into question. First, 23 per cent of the Indian nations are not involved which constitutes 31,682 individuals.

Second, the public at large, which constitutes the majority of British Columbians, 3 million people, is left out of the negotiations. There is no room for their input into the process nor are there provisions for a grassroots referendum of all British Columbians to ratify any negotiations. These two issues must be addressed. They are vital to the continued well–being of the people and the economy of Okanagan—Similkameen—Merritt.

Third, no substantive amendments can be made to help correct the above mentioned deficiencies in this legislation.

Let us look at each one of these points. Twenty–three per cent of the B.C. Indian nations are not in the B.C. Treaty Commission process. These include the Okanagan Tribal Council, consisting of Indian bands from Osoyoos, Penticton, Upper and Lower Similkameen and Okanagan, and the Upper and Lower Nicola Indian bands and the Nicola Valley Tribal Council.

In other words, the Indians in my riding do not recognize the B.C. Treaty Commission as facilitators of land claims. The Indians within the Okanagan—Similkameen—Merritt riding have been actively stepping outside the law to attempt to claim jurisdiction over land.

Currently they are threatening violence over the Green Mountain Road. They have been digging trenches along the road and are wearing camouflage fatigues in true Oka and Gustafsen Lake style. This form of confrontation is not new to the Indians in my riding. Over the past couple of years numerous incidents such as the Apex ski resort blockade have shown that formal civil negotiations outlined as the duties of the B.C. Treaty Commission are redundant and irrelevant to the Indians in my riding.

Currently they are in court fighting the B.C. government over ownership of Green Mountain Road. They say they will enforce a blockade of the road, win or lose. They claim they are willing to fight and die for this road. The rest of my constituents feel the same way the Indians do. In a survey conducted over the summer, 72 per cent of those responding were opposed to the continuation of the B.C. treaty process.

• (1515)

This fall I approached the Minister of Indian Affairs and Northern Development a number of times to encourage him to come to Penticton to help resolve this situation. On October 23 I wrote the minister on humanitarian grounds to tell him that a dispute between the B.C. government and the Penticton Indians was escalating. A roadblock was being threatened. In the letter I asked him to go to Penticton on October 28, not as a negotiator, not as a mediator, but as a sign of good faith to the people of Okanagan—Similkameen—Merritt to try to get these people back to the negotiating table.

I did not receive a letter or a response from the minister of Indian affairs until today, November 28. He said that it would be inappropriate for him to become involved, despite the effect this dispute is having on the communities in my riding. He said he will leave it to the province to negotiate with the Penticton Indian bands.

This is pure nonsense. This is pure balderdash. The abdication of the constitutional responsibility by this government, which is responsible for Indians and land reserved to Indians, is totally unacceptable.

To make matters worse, today I also find out that the minister of Indian affairs this past weekend was in Kamloops, a three–hour drive from Penticton. The minister did not even have the courtesy to talk to the mayor of Penticton, to the Penticton Indian band or to any of the provincial people in the area. This again is totally unacceptable.

I have a letter from the minister to the mayor of Penticton dated August 21, 1995. In the letter he makes it clear that this road is still federal property not the property of the province or the Indian band. So why will the minister not get involved? The minister of Indian affairs is running out of excuses and he always has them.

When there is a roadblock up, he says he will not come to Penticton when there is a roadblock up. When the roadblock is down, he says he will not come to Penticton when there is nothing to talk about because there are no roadblocks. When there is a court case going on, the minister of Indian affairs says he will not come to Penticton because there is a court case going on. However when there is no court case on the table, the minister still refuses to come to Penticton and talk to the people and get the negotiation back on the tracks.

The only thing I have not heard from this minister is that he cannot come to Penticton because he has to go to the parliamentary dining room for a sandwich. I do expect I will get that excuse as well.

The third problem with Bill C–107 is that the Reform Party would like to make a number of amendments on behalf of their constituents. I can bring to the table two deficiencies which I have previously spoken about. One example that comes to mind would be an amendment to make the Union of British Columbia Municipalities a fourth negotiating power alongside the federal government, the B.C. government and the B.C. summit. This would provide a forum for the interests and concerns of millions of British Columbians excluded from the current process.

With such a large proportion of B.C. territory up for grabs, the interests and concerns of the grassroots British Columbians must be heard and must be addressed.

Making an amendment of this nature is impossible. Bill C–107 is based on a 1992 agreement between the federal government, the B.C. government and the B.C. Indians. This agreement is absolutely cast in stone and it contains absolutely no amending formula. All legislation that enacts the provisions of the agreement is therefore closed to amendments as well. No amendments are possible to the bill.

What has happened to our parliamentary democracy? As member of Parliament for Okanagan—Similkameen—Merritt, one of my primary responsibilities is to review, debate and if necessary amend legislation based on the wishes of my constituents. Our whole parliamentary process is set around these very important functions.

Bills go through three separate readings, a committee hearing and a final report stage in the House of Commons to ensure that all members of the House and members of the public have had time to analyse legislation for faults.

• (1520)

There are a number of opportunities for members of Parliament to bring forth amendments based on the concerns of constituents and the Canadian public. The process is then repeated in the Senate. This process is not perfect. Governments can refuse amendments. This Liberal government is particularly noteworthy in this regard. Governments can also rush legislation through the House without adequate debate. In this regard, the Liberal government's track record is appalling and a disgrace to the parliamentary legacy of our forefathers.

Despite the lack of respect the Liberals have for our parliamentary democracy, this system can be made to work. However, with Bill C–107 there is no opportunity for members of the House to offer amendments to this piece of legislation. I must ask why we are even bothering to debate this legislation. The concerns I have for this bill are falling on deaf ears. It is shocking that the Liberals have the gall to even present this bill in the House. It might as well have gone straight over to the governor general for his approval.

Bill C–107 usurps the power of Parliament in a most undemocratic manner. Parliament has become just a rubber stamp for the whims of this Liberal government. The elected members of the House are powerless to do their jobs. Every piece of legislation must be open to amendment by elected representatives. This is the very essence of our democracy. The alternative is a Liberal dictatorship.

It is time for this government to restore some honour to the House by removing this bill from the Order Paper. The three treaty signators must go back to the negotiating table to make a new agreement which will allow the interests of all British Columbians to be heard.

The people of Okanagan—Similkameen—Merritt have instructed me to oppose Bill C–107.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

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.

And the bells having rung:

The Speaker: The vote will be deferred until the end of Government Orders today.

* * *

WITNESS PROTECTION PROGRAM ACT

The House proceeded to the consideration of 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, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Speaker: There are two motions in amendment standing on the Notice Paper for the report stage of Bill C–78. Motion No. 1 will be debated and voted on. Motion No. 2 will be debated and voted on.

Government Orders

MOTIONS IN AMENDMENT

Mr. Art Hanger (Calgary Northeast, Ref.) moved:

Motion No. 1

That Bill C–78, in Clause 5, be amended

(*a*) by replacing line 32, on page 2, with the following:

"5.(1) Subject to this Act, the Commissioner"; and

(*b*) by adding after line 36, on page 2, the following:

"(2) Any decision made by the Commissioner, or by a member of the Force on behalf of the Commissioner, under section 5, 9, 11 or 14 of this Act may be reviewed by the Minister on application by a law enforcement agency."

• (1525)

He said: Mr. Speaker, I am pleased to stand before the House today to address pressing issues on criminal justice, specifically Bill C–78, the Witness Protection Program Act.

There is an urgent need for legislation of this nature. I can relate to that on a personal level. For the past 22 years I have been a police officer in the city of Calgary, serving my constituents as well as the city in general. A good portion of that time has been devoted to the investigation of major crime. I have gained practical insight about how valuable witnesses are in the conduct of an investigation.

There is no doubt in my mind that certain witnesses need to be protected from potential harm, particularly when their testimony relates to organized criminal activity such as drugs and alcohol, tobacco smuggling operations and trafficking or other conspiracies to commit violent capital crimes.

The decision for one criminal to turn in other criminals can be a difficult one, not only for police departments that have to handle this individual but also for the criminal himself. If justice is to be served we must take strong measures to protect from any potential harm those witnesses who step forward. They may come from one of two categories: they may be active criminals themselves or they may have inadvertently been caught in some criminal act in some fashion, unknowingly.

Simply put, without the testimony of those individuals who come forward to present their knowledge or experience of a criminal activity or conspiracy to a police officer and eventually to a court there would be no investigation, no charges and ultimately no convictions.

Violent and organized crime is on the rise in Canada. I do not think this government understands that. No longer can politicians live in denial of this reality. Wherever there is a dollar to be made illegally, the criminal element will organize to beat the law.

A prime example of this organized criminal activity is motorcycle gang violence and the resulting turf war spilling out into the streets. We see that in Toronto and in Montreal. There is little to do on the part of this government right now to change a lot of that.

It is no secret in law enforcement circles that the Hell's Angels are in an all out war with the Outlaws motorcycle gang over control of the lucrative drug trade, prostitution and a mass of contraband smuggling and distribution business. The recent spate of bombings and killings in Montreal and Toronto continues as kingpins make money and people die. The carnage must stop if law and order is to be restored on Canadian streets.

It is extremely unsettling that this government would not acknowledge the new reality of organized criminal activity in our country. Furthermore, this do–nothing government has jeopardized the security of law–abiding citizens by burying its head in the sand and hoping that crime will disappear.

Consider that the budget for this witness protection program in Canada will accommodate approximately 80 to 100 individuals in any given year. That is very small. The budget established by the Solicitor General of Canada, a mere $3.4 million, is fundamentally inadequate given the resources required to penetrate the culture of organized crime and to properly identify and recruit criminals willing to inform on their own kind.

• (1530)

The RCMP would intensify its efforts in this regard if more resources were available. My chief concern is not only the witness protection funding deficiencies but also the lack of vision on the part of the Solicitor General. Instead of funding special interest lobbies who advocate criminal rights, the solicitor general might instruct his fat cat colleagues to consider the safety of the public for a change.

Perhaps if the minister were to rescind his gold plated pension and convince others in the government to do the same, the government could then find the funds to give the RCMP the tools it needs to get the job done. However those pensions are near and dear to the hearts of the government side.

Bill C–78 certainly is a step toward strengthening the RCMP witness protection program as it exists presently. However, there were some problems with the legislation before this bill came into being which have given rise to the amendments we are proposing here today. The first is the absolute authority of the RCMP commissioner in the decision making process in the following areas: to determine whether a witness should be admitted into the program; to terminate the protection of the witness if in the opinion of the commissioner it is warranted; to disclose the identity and the location of the witness or the protectee; and to make arrangements with other law enforce-

ment agencies, attorneys general of the provinces or other provincial agencies.

With respect to the agreements that are struck between the parties involved in the witness protection program, I wish to point out that as it stands with this bill there is no resolution mechanism or appeal procedure for agencies, agents and protectees to air their concerns beyond the commissioner. It is a crucial that a resolution mechanism become part of this bill. I know personally of disagreements arising between law enforcement agencies and the RCMP which ended abruptly upon the decision of the commissioner. Take for example the concerns expressed by two witnesses who came before the standing committee on justice, one of whom was a serving police officer representing dozens of police agencies and officers across the country.

As it stands, the individual witness under protection is restricted in taking up matters of concern regarding the conditions of protection to the public complaints commission but not to the solicitor general's office. I submit that this process is totally inadequate.

Most police departments have an informant control officer who regulates the handling of an informant for the appropriate department. This type of arrangement allows a process of appeal in the event of an unsatisfactory decision on the part of the commissioner and would be available to agreements between individual police agencies and the RCMP via the informant control officer. I submit that this provision would make the program much more effective thus enabling agencies greater flexibility in their investigation of organized crime.

I have had an opportunity to visit various parts of this country and specifically this province. Organized crime has a firm grip in certain areas and the police agencies can do little or nothing about it. One such area several Reform MPs visited was the area of Cornwall and the reserve of Akwesasne where there is organized smuggling and it is being distributed across this country.

A lot of people do not understand the effects of drug smuggling as it applies to their own lives and their own communities. Drugs that come through areas such as the Akwesasne reserve at Cornwall and are distributed across the country do make it onto the streets of our communities and into our schools.

I would strongly urge members to support this particular bill which brings forth more accountability to deal with crime of that nature.

That is not the only area in the country that is subject to the will of the organized criminal. Until we get some real firm legislation and a strong commitment on the part of the Solicitor General to increase the funding in this particular area to combat the organized syndicate, we will not gain any headway and the streets of our country will not be any safer.

• (1535)

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, I heard my colleague talking about his motion and I cannot help comparing it to a remake of an old B movie.

What are we debating exactly? A bill and amendment motions which, after all, will not prevent anybody from sleeping soundly tonight. As a matter of fact, Bill C–78 is so boring that I find it surprising that there are still some hon. members around still awake.

The solicitor general has invented nothing. He simply follows the international trend. Other countries have protection programs for witnesses. Programs in place in the United States, in the United Kingdom and in Australia have inspired the solicitor general for his Bill C–78. As usual, Canada is trailing behind other countries. Yet again it has failed to show leadership or innovation.

What is the purpose of Bill C–78? It proposes the establishment of a program operated under the commissioner of the RCMP for the protection of witnesses and informants as well as related or associated persons who might be at risk. The protection may include relocating the person, providing him or her with some accommodation, a new identity, as well as counselling and the necessary financial support for that purpose.

Motion No. 1 moved by the member for Calgary Northeast is by far the best suggestion made by the Reform Party in a long time. Unfortunately it is not new, since it had already been moved by the Bloc Quebecois during clause by clause study of Bill C–78 by the justice committee. It is well disguised but the principle remains the same.

I had proposed to amend the Witness Protection Program Act so as to prevent the Commissioner of the RCMP from being the judge, jury and sole executioner of the program proposed by the solicitor general.

The idea behind our main and related motions was that the solicitor general was to be entirely responsible for the program. This is one of the numerous problems with Bill C–78. This legislation provides that the program will be managed by the Commissioner of the RCMP, the same commissioner who determines the beneficiaries and the amount of protection they will be given.

How are the authorities who operate the program accountable for their actions? The RCMP both manages the program and is responsible for it. The RCMP is accountable unto itself. It is the judge, the jury and the executioner at the same time.

Not only that, the government wanted to give the commissioner judicial privilege. Fortunately, because of our protests in committee, it did not.

I tried to understand, but to no avail; the explanations given by the Office of the Solicitor General were as nebulous as they were convoluted.

As an aside, I wish to point out the deplorable effort made by the Parliamentary Secretary to the Solicitor General of Canada to clarify the question for the justice committee. When he appeared before the committee, the parliamentary secretary did not know how to answer my questions, especially those concerning the problem of codefendents. Unable to answer my questions, the member mumbled a few words before letting his officials do the work for him. The member for Bonaventure—Îles–de–la–Madeleine appeared to be out of his depth.

The problem with an indictment dealing with two or more defendents is that the Witness Protection Program can be used as a negotiation tool.

Let us take the case of two accomplices charged with the same murder. If we assume that proof beyond doubt is readily adduced, but lacks a key element to bring about a guilty verdict, the testimony of one of the accomplices could prove crucial to the proceedings. The crown cannot afford to weaken the credibility of the judicial system if neither of the defendents can be compelled to testify against the other one.

The crown's alternative is to offer one of the accomplices a reduced sentence or other benefits, in exchange for pleading guilty to a lesser charge.

The other benefits which can be offered, in addition to a reduced sentence, may vary from one judicial district to another.

• (1540)

They generally deal with the length of the sentence and the conditions of confinement. In return, the first accomplice will testify against the second one, and instead of two acquittals, the crown will gloat it got two guilty verdicts. But there is a catch. With Bill C–78, the crown will have another present to offer criminals in return for their co–operation.

Both individuals in my previous example are, I believe, equally morally reprehensible. By offering the protection program to one of them, but not to both, our judicial system will once again apply double standards. A murderer could be protected by the program while the accomplice he helped convict will languish in prison. The public will not soon forget the Karla Homolka case.

To get back to the motion of the member for Calgary Northeast, I remind the House that it is based, more or less, on principles presented in committee by the Bloc Quebecois. I submitted several amendments myself, several of them specifying that the solicitor himself should be responsible for the witness protection program and not the commissioner of the RCMP.

The Reform Party did not support any of these amendments and today, they have the gall to make believe it is their idea. Since imitation is a form of flattery, I thank my colleagues of the third party. In spite of the Reform Party's opportunism, especially that of the member for Calgary Northeast, I will vote for motion No. 1.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I want to remind the member for Saint–Hubert that the bill as tabled by the solicitor general stresses the importance of guaranteeing sources and witnesses the best possible protection.

Among the changes that should strengthen the program, we find a clear definition of the eligibility criteria for witnesses and a more transparent program management structure that would require greater accountability from all those in charge. I want to repeat, to be sure the situation is quite clear, that we will not support the Reform Party motion.

[*English*]

I would like to add that pursuant to the RCMP Act, the solicitor general can provide advice to the commissioner of the RCMP concerning matters of policy. The commissioner or his delegate is in the best position to make these decisions concerning the day to day running of the witness protection program.

Since 1984 the RCMP have provided protection to witnesses to such a high professional level that there has never been an individual killed or seriously injured while under their protection.

As a result of the bill, this highly effective program will operate in a much more open and transparent manner, as I have just indicated to the hon. member for Saint–Hubert, thereby ensuring that all participants are aware of both their rights and their obligations under this program.

In conclusion, we will not be supporting this motion.

The Speaker: The hon. member for Fraser Valley East, or West. You look like the fellow from Fraser Valley East.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is only the beard. Regional disparities: I have no hair and he has some.

Speaking to Bill C–78, the witness protection program, I must say that I support this bill. It is nice to finally get the government to move in a direction where even the victims in this country are getting some support from the government. That is not much to be said for a lot of the other crime bills in this country.

By the way, this bill originally came up in a private member's bill from one of the Liberal backbenchers. I really think that because an individual in the House was pushing it the government decided to move ahead and try to take the glory. I want to

give some appreciation to that Liberal member who initially brought up the private member's bill that was dropped.

• (1545)

Currently we are looking at several amendments, which I will get to in a moment. There is no national bill for witness protection. The RCMP and local forces may have their own, but very secretive, with limited access to information as far as what the contents are. Again, victims have little or no knowledge of what these bills are and what rights they have. It is high time they did.

We know little of the programs. In fact when we attempt to get information in this country about witness protection there is very little acknowledgement from the RCMP or any other policing agency of what is available.

One of the Liberal members who usually talks while I am speaking says there is a reason for that, but the fact is if this were clear legislation then victims would have a little more knowledge of what is due to them. It is high time this government got serious about letting victims know what is available to them without disregarding their interests.

In this country we have seen provincial courts criticize the RCMP for their witness protection. We have seen courts in this country order protection for individuals. There was one very large drug seizure case where the individuals had to go to court to get protection. That should not be necessary in this country. It should be made available to them, not through order and mandate in the courts.

In 1993–94 we see that we spent $3.5 million on witness protection. I think that is very light. If we are going to assist in trying to prevent crime, or at least trying to rectify criminal situations and incarcerate people for wrongdoing, we have to put more support on the end of witness protection. This bill does that.

If the government needs money, which it does, it can take some of it from the fines and the other revenues it gets from other policing activities, so it would be possible to finance some of this business. As I understand it, the RCMP welcomes this, which is good.

There are two amendments we are seeking in the bill. With the inclusion of the first amendment there would be one more level of appeal not only for the protectee, who can now appeal his case to the public complaints commissioner, but also for police agencies which for the first time are granted a level of appeal beyond the commissioner or the minister.

As members know, there is an absolute authority granted to the commissioner, as my colleague from Calgary has said, but it bears repeating. This is an important aspect of the bill. It has to be changed.

The commissioner has exclusive authority in the following four areas: to determine whether a witness should be admitted to the program; to terminate the protection of a witness if the commissioner believes it to be warranted; to disclose the identity and location of the witness or protected person; and to make agreements with other law enforcement agencies or attorneys general. With our amendment to clause 5, we allow some further avenues for the individuals in the program.

Certain witnesses need protection. Unfortunately some of the witnesses who need protection in this country are also criminals. However if we are going to get at the root of the problem in this country we have to afford even those individuals some protection if they come forward in particular cases such as cocaine smuggling and so on and so forth. While I dislike protecting criminals, in this particular case I believe it is necessary. I believe it should also apply to smugglers.

• (1550)

Witnesses receive the same protection as the criminal if they come forward. Unfortunately victims know very little of their rights. They know very little of what is afforded them in terms of a bill such as this or in terms of any other legislation under criminal law. Victims should be read their rights. Their rights should be publicized, including rights such as being informed of the details of the crown's intention to offer a plea bargain; being informed of their rights at every stage of a process, including those rights involving compensation from the offender; and being informed of the offender's status throughout the whole criminal justice process.

If we are going to move in the direction of affording victims their rights in these areas, then victims must be afforded the knowledge of what is in a witness protection act.

We know that other countries have witness protection acts, such as Australia and the United States. There are problems with the American act. The advocacy groups that are responsible for witness protection make it very difficult for the crown to have access to a witness. We must be careful when we are legislating laws for individuals who come forward to put their lives on the line. We must guard them but we cannot overprotect them and prevent justice from taking its proper course.

I will be voting for this bill and the two amendments. If the two amendments are not accepted I will still support the legislation. It is necessary to move the government in a direction on behalf of people who are trying to help curb crime in Canada.

Government Orders

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

FINANCE

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. There have been discussions among the parties and I think you will find consent for the following motion.

I move:

[*Translation*]

That the Standing Committee of Finance be empowered to televise its proceedings the week of November 27th, 1995 from the cities of Calgary, Fredericton, Montréal and Vancouver pursuant, to the extent possible, to the principles and practices governing the broadcasting of the House of Commons.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

WITNESS PROTECTION PROGRAM ACT

The House resumed consideration of 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, as reported (with amendment) from the committee.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it gives me great pleasure to take part in the debate this afternoon. I would like to begin by doing something I rarely do, which is to compliment the members of the third party for their support of the legislation.

Mr. Thompson: Do not get carried away.

Mr. Hermanson: We are just being friendly.

Ms. Clancy: I want to particularly commend the hon. member for Fraser Valley East.

I am astounded that they even heckle me when I am saying nice things about them. It is probably because they are in shock.

This legislation has been a necessity for some time. The witness protection plan in the past has basically operated under principles and guidelines laid down in RCMP internal policies. There is no question that this kind of activity is much better and much more in the public interest when it is covered by legislation passed in the House.

• (1555)

It is tragic to think that we are debating this bill today in the aftermath of yet another tragic occurrence in our country. I am speaking of the shooting yesterday in Cartierville, Quebec of the young female police officer who was shot in a community police station. She was the mother of three children and had just returned from maternity leave. The youngest of her three children was only eight months old.

I do not know if there have been more developments today. Last night I watched the news along with our colleague, the member for Saint–Laurent—Cartierville, who is very concerned about this tragedy that has taken place in her riding. There are no known witnesses. This happened in a busy mall, but we all know that things can happen that people may not see or hear.

With a program like this and with the attendant publicity the passage of this bill will create, we can hope people will come forward even if they are frightened, as many people are, to get involved with the criminal justice system.

Our colleagues from the other party have raised some legitimate points which they need to have answered. Even with the legislation replacing a mere policy program, it is extremely important, if this program is to work, that access to the information must be very, very limited.

The hon. member for Fraser Valley West talked about victims and the need for victims to know certain things. I believe the victims can well know about the process, about what the policy is and about what the legislation is, but that could be part of a government information program or it could be part of public education that victims rights groups would get involved with. However, in the actual day to day administration of the program itself, common sense must rule. Only a very small number of people can or should be apprised of who exactly is in the program, where these people are located and all of the attendant facts necessary to make sure the program works.

I take this rare occasion of amity between the government and those on the other side to explain that it is not a question of wanting to deny victims their rights to know. It is much more a question, as is the whole basis of this legislation, that we want to ensure that witnesses come forward and give their testimony in a court of law which will lead to the conviction of those who have committed offences and will add to the deterrent factor. In other words, it is to ensure that this legislation takes its place as part of the underpinning of our system of justice. This is a very sensitive area. It may well be the most sensitive area in the entire federal realm of legislating vis–à–vis the justice system.

Part of the difficulty, as with many of our developments in the criminal law in this place, is that a lot of people in the public at large garner their information about programs such as this from

popular television programs. What happens on popular television programs and what happens within our various police departments, including the RCMP, is not necessarily the same.

• (1600)

Consequently, as the hon. member for Fraser Valley brought up, there is a lot of misinformation out there. People want to know more. It is the duty of members of Parliament and of government without being patronizing and without attempting to block the public's right to know to get out the message that some things being publicized would be counterproductive to the system of justice and to the system of government.

There is no question that secrecy in many cases is the enemy of democracy, but there are exceptions to that rule. In something such as the witness protection program, we all have to agree that a level of confidentiality in the protection of those witnesses who are doing their very best to help in the protection of the public is absolutely essential.

I do not have a very long time to address this matter but I also wanted to speak briefly on the question of cost in this legislation. Again, what we have here is very much of a bargain, particularly within the normal costs of federal government programs. At the moment, the cost of the RCMP source witness protection program is $3.4 million. No additional costs are expected as a result of introducing this legislation. The average cost per case is $30,000 and in actuality 60 per cent of cases cost less than $20,000.

It is difficult to say how many persons may be in the program at any given time because the numbers do change daily. They change with the expiration of protection agreements and the elimination of threats to safety. At any given time there are 80 to 100 people, including family members, in the program.

We all realize how important a program such as this is to our justice system. I want to compliment our colleagues in the third party who are supporting this, or in the words of their whip, any of those who wish to support it. We appreciate that support.

This country's criminal justice system is one that works very well. It is the subject of a lot of brick bats, a lot of criticism from time to time but in general as a law professor of mine used to say, under the universal theory of rough justice, in 80 per cent of the cases things work out.

The witness protection program may give us a betterment of those odds. Certainly all of us on this side of the House, as I know all on the other side, are committed to a criminal justice system which is fair and which protects Canadian society at large. This legislation will be a great help in ensuring that end. I support it very strongly. I congratulate members of the third party for their support as well.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I am pleased to address the amendments to Bill C–78. This bill came before the justice committee. As a member of the justice committee I heard witnesses address their concerns about the bill.

One of the concerns I want to address and which this amendment focuses upon is the enormous degree of vulnerability of many of the witnesses who come under the 14 or 15 witness protection programs across Canada. We heard testimony indicating that these witnesses are very vulnerable. For some of them, their lives are in danger. They have received threats yet they want to do the right thing and provide the evidence to ensure that the justice system works and that those who are involved in organized crime and in criminal activities are brought to justice. Some of the testimony we heard from the witnesses raises serious concerns in this area.

• (1605)

I have the brief submitted by Mr. Barry Swadron, a lawyer who acts on behalf of witnesses who have challenged the program because of the violation of what they believe to be the agreement the police forces have made with them. He states: "By the time protected witnesses get to lawyers, it is often to undo harm that could have been avoided had they consulted lawyers earlier. Police officers often discourage about to be protected witnesses from retaining lawyers with respect to proposed arrangements. A number of protected witnesses have been advised by police authorities that a lawyer will not be able to help them. We have been told that police officers pressure witnesses not to consult a lawyer. Indeed the negative pressure has on occasion been prohibition". He concludes by stating that this is reprehensible.

The committee heard testimony on this bill indicating that the agreements witnesses enter into in many cases are not upheld. They are not provided with the protection. They are not provided with the benefits they need. This new bill was scrutinized by those witnesses to determine whether or not there were checks and balances to ensure that they had recourse should their handlers not fulfil their end of the agreement.

Mr. Swadron goes on to say in his brief: "Swadron Associates have received dozens of telephone calls from across Canada and beyond from the types of persons described above". He is talking about the protectees. "They are of both sexes, various ages and from many walks of life. A substantial number have become our clients. We advise some. We negotiate on behalf of others. Sometimes we must resort to litigation where police forces are sued in order to obtain the contractual benefits that these protectees have entered into".

He also states: "You would be amazed at the hardships faced by these individuals. They experience the worst type of cultural shock. Not only are they forced to forge new beginnings in strange surroundings, but also to erase their much more familiar past. The degree of assistance they receive from police authorities varies significantly. Every aspect of daily living that you and I take for granted has for them been inexorably altered. Even attending to basic needs such as arranging accommodation, obtaining health care, getting a driver's licence, opening a bank account, or placing children in schools becomes insurmountable".

When we examined this bill we examined it from many perspectives and points of view. I was most concerned about whether or not the bill provided adequate checks and balances for the very sensitive and vulnerable position many of these witnesses find themselves in.

As I said earlier, many have been threatened. They fear for their lives and those of their spouses and children. They are very susceptible to the manipulation of the handler. Unless the handler is very conscious about the duties and responsibilities that they must discharge to the protectee under the agreement, often the conditions of the agreement are violated. Then the protectee is left in an extremely vulnerable position where they either have to seek their own remedies or seek the support of legal counsel if they wish to pursue what they consider to be benefits that have been withheld from them. As Mr. Swadron says, it creates an enormous problem within the witness protection programs.

Mr. Swadron referred to Bill C–78 as a police protection program rather than a witness protection program. He centred on what was at that time clause 19 of the bill. Clause 19 has been withdrawn and was done so by the government. Of course, we on this side of the House support that withdrawal because what clause 19 provided for was the protection of the RCMP. If the RCMP could simply raise the defence of having acted in good faith, then no protectee could sue the government successfully. That was withdrawn because of some of the concerns raised by witnesses, some of the concerns I am raising today and the amendment to which we are speaking addresses to some extent.

• (1610)

Clause 19 was withdrawn so that if there are areas of culpability in terms of discharging the requirements of any agreement, there is no legal barrier that would interfere with the right of the protectee to seek litigation in order to establish what they consider to be benefits from the agreement.

I am very much in favour of the withdrawal of clause 19 which is no longer in the bill. However, I also have great concern about some of the testimony provided. The commissioner alone has absolute power and authority to determine not only what witnesses enter into the program but the conditions of the agreement as well as the right to rule on any concern a protectee might have.

I support this amendment. It would provide the means whereby individuals can address the minister who can then be held accountable by the elected representatives of the House as to how these contracts are administered. I support the amendment and I will be supporting the bill.

I hope all hon. members will consider the testimony we have heard before the committee and the concerns I have raised with regard to the extreme vulnerability of the witnesses. We must ensure there are reasonable checks and balances within the legislation to protect them from abuse.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

An hon. member: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 1.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76 a recorded division on the motion stands deferred.

Mr. Art Hanger (Calgary Northeast, Ref.) moved:

Motion No. 2

That bill C–78, in Clause 16, be amended by adding after line 17, on page 8, the following:

"(3) Every report prepared under subsection (1) shall, after it is laid before each House of Parliament under subsection (2), be referred to the committee of Parliament that normally considers matters relating to justice and legal affairs.

(4) Every report prepared under subsection (1) shall include, without limiting the generality of the foregoing, the following information:

(*a*) the number of agreements entered into and the law enforcement agencies involved;

(*b*) the number of applications made;

(*c*) the average amount spent on each agreement entered into;

(*d*) the number of agreements terminated and the reasons for their termination;

(*e*) the number and types of offences committed by protectees;

(*f*) the total amount of all money from the Consolidated Revenue Fund spent in relation to the operation of this Act;

(*g*) co-operative measures between the Force and other law enforcement agencies with respect to witness protection; and

(*h*) the number of foreign witnesses admitted to Canada and the number of Canadian witnesses relocated outside Canada."

He said: Mr. Speaker, it never ceases to amaze me how little the government side knows about what is happening in the world of crime. In spite of the fact that we see all these documents, newspaper clippings and initiatives which have been started by the government, it never seems to want to really address the problem.

One of the headings in a newspaper not too long ago was: "Guns replace cigarette smuggling". Who does the smuggling? Who smuggles guns, cigarettes, booze and the like? No one but an organized criminal group. They are in it to make money.

• (1615)

As I mentioned before, several Reform MPs, and I know Liberal members went to the same area, went to the Akwesasne reserve and the city of Cornwall. It is interesting to note that the police task force initiated to combat smuggling is afraid to patrol the river in the evening for fear of being shot at by organized criminals who have literally taken over control of the river to move their contraband. That takes place mostly during the evening and the night. They are organized criminals who need special treatment. When we talk about protecting witnesses, witnesses from this area are afraid to come forward for fear of reprisal. They know the police cannot protect them adequately.

This is happening right across the country. Ipperwash is another place. The police are reluctant to properly police the area of Bosanquet and Ipperwash because they may end up having a confrontation with an organized criminal group. We can have all the witness protection programs we want, but if there are not adequate funds to deal with it, it is another matter. We will not be protecting witnesses.

That is happening in the country, not just in Ipperwash and not just in Cornwall. We can look at other areas including metropolitan areas such as Toronto and Vancouver. Organized criminal groups have control in many areas, whether or not we want to admit it. It will take extraordinary means to combat it. Power is given to the police including under the witness protection act as mentioned here. Funds must be available to take care of it, if the government is serious about it. I do not believe the Liberal government is serious about fighting crime at all. It would do something more about it if that were the case.

People are living in fear in their own homes. This is what combating crime the Liberal way has done. They have to bar themselves in their own homes to protect themselves from criminals who have control of the streets. That is not the way to fight crime. When it is in an organized fashion even this legislation falls short because many police departments have their hands tied.

My second amendment deals with the submission of the annual report on the operation of the program as it applies to the preceding year. There are enabling sections in the legislation to have the report placed before Parliament. However we are without any provision for having the report sent before the Standing Committee on Justice and Legal Affairs to be reviewed. It does not mention the content of what the report should include. I believe the report is ridiculous. If there is a budget of $3.4 million as the government has so slated, there should be some content in the report and some subsection to specify precisely how the money is to be spent.

Many times members have stood on both sides of the House and talked about accountability. It is a nice word but it seems as though a regulation has to be in place before somebody actually becomes accountable. Members on that side who were in opposition years before railed time and time against the government of the day on accountability and responsibility. All this amendment is suggesting is that there be more accountability.

Mr. Thompson: There is the problem.

Mr. Hanger: That is right. It is a question of accountability. I agree with my colleague that they do not want to be accountable.

I present an opportunity to members of the House to learn from past mistakes to make sure the bill does not miss its mark. The following information should be included in the annual report.

First is the number of agreements entered into and the law enforcement agencies involved. This is important, given the fact that there have been disputes in the past between law enforcement agencies and the RCMP in this area before the legislation was thought of.

• (1620)

Second is the number of applications made. Is everyone who makes an application accepted or are some turned down? That information should be made available.

Third is the average amount spent on each arrangement. There is a budget of $3.4 million. Approximately 100 protectees were in the program in the past. Will that continue? Will the number rise? When we look at organized crime as it is manifesting itself in the country, it will undoubtedly rise. Where will the extra money come from to protect the individuals who apply?

Fourth is the number of agreements terminated and the reasons for termination. This has been a dispute in other agencies or other police departments. The commissioner has the final say on who comes into the program and who does not. That information should be made available to the committee.

Fifth is the number and types of offences committed.

Sixth is the total amount of money spent from the consolidated revenue fund.

Seventh is the co–operative measures taken between the RCMP and other law enforcement agencies with respect to witness protection. Many joint force operations are taking place in the country. There are so many joint forces that it is impossible for one agency to effectively combat organized criminal activity without joining forces with others. This information should be made available. It is the other law enforcement agencies that often have the objections if the RCMP commissioner is the only one who has the final say on the agreements.

The last point is the number of foreign witnesses admitted to Canada who have become part of the protection program and the number of Canadian witnesses relocated outside Canada.

None of these proposed amendments is unreasonable. Upon review by the hon. members of the House I am confident they will see that the amendments are designed to bring about more accountability in the bill and the decision making process of the commissioner.

Given the rise of organized and violent crime the government should be doing everything in its power to ensure that the citizens of Canada are protected to the fullest. I urge all members to vote not based upon partisan considerations but rather on the best interests of their constituents and in favour of the amendments presented.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the second motion of the Reform member stresses other shortcomings of Bill C–78.

First of all, I would like to say that Motion No. 2, standing in the name of the hon. member for Calgary Northeast, is redundant in the first subsection. I will explain. The hon. member would like the annual report required under clause 16 of the bill to be transmitted to the Solicitor General and either tabled in the House or referred to the justice committee. However, according to Standing Order 32(5):

> Reports, returns or other papers laid before the House in accordance with an Act of Parliament shall thereupon be deemed to have been permanently referred to the appropriate standing committee.

This means that once the report of the commissioner has been tabled in the House it is immediately referred to the Standing Committee on Justice. The member of the Reform Party does not have to worry. It is already in the Standing Orders and therefore subsection (3) is superfluous.

Subsection (4) tries to define much more precisely the work of the commissioner. He would have to give a lot of details in the report that he must submit to the Solicitor General every year.

Clause 16 of Bill C–78 requires that the commissioner submit a report on the operation of the program to the minister, who in this case is the Solicitor General. The clause is quite vague as to the content of this report.

• (1625)

All the bill says, and I quote, is: "a report on the operation of the Program during the preceding fiscal year".

Things cannot be put more succintly. The bill does not provide any satisfactory answer to many questions that I think are obvious.

What the government has given us is nothing more than Canada–wide legislation that will be administered by the RCMP and to which provincial and local police authorities will have to adapt.

Today, we still do not know how co–ordination between the different police groups will be ensured, because Bill C–78 is silent on this issue. In fact, the silence of this bill is most certainly its main characteristic. What concerns me is not what is in the bill, but what was omitted.

A series of questions remain unanswered. Once the bill has been passed by Parliament, how long will it take to put the program in place? What budget will be allocated to the program? How does this amount compare with the current budget? How many people are expected to benefit from the program each year?

It is all fine and well to want to protect informers, but we should know how much this is going to cost. Indeed, we do not even know which envelope the Solicitor General intends to take the money from.

As we know, the witness protection program will be a kind of contract between the RCMP and the protectee. Let us examine the respective rights and obligations of the parties to this agreement.

The commissioner's obligations come down to almost nothing. As indicated in clause 8 of the bill, he only has:

> —to take such reasonable steps as are necessary to provide the protection referred to in the agreement to the protectee;

That is all. So, I hope that he will take the necessary steps. But what kind of steps are they? Only the commissioner will know because, once again, the bill does not explain what these steps will be. Thus, these "reasonable" steps are the only obligations the commissioner will have to fulfill.

As for the protectee, he must first provide the information or evidence required by the inquiry or the prosecution that has made the protection necessary. Second, the protectee must keep his or her hands clean, that is refrain from activities that constitute an offence against an act of Parliament. Shoplifting could be in this category.

Last, he or she must accept and give effect to reasonable requests and directions made by the commissioner in relation to the protection provided to the protectee and the obligations of the protectee.

If the protectee deliberately contravenes his or her obligations under the protection agreement, the commissioner may terminate the protection, provided that the protectee can make representations concerning the matter.

This bill puts things very succintly. I suppose that to correct these flaws, some practices are going to evolve allowing the RCMP to completely evade the power of supervision of Parliament.

This is the danger with poor legislation. Police forces create their own rules without any respect for the law. In fact, they are the ones who actually write it as circumstances change. I ask you this: When are we going to see the federal government assume its responsibilities and legislate in a detailed and precise fashion so that those who must enforce these laws know how to proceed?

Since the motion of the member from Calgary Northeast tries to fill some gaps, we are going to support it.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, even if the hon. member opposite raised several issues, we will not support the motion as tabled by the third party.

But the hon. member still raised some points. We should remind Canadians, in particular the hon. members opposite, that the commissioner may terminate the protection provided if, in his opinion, the witness provided false information, omitted to provide important information, or deliberately failed to meet his obligations under the protection agreement.

• (1630)

I think that the hon. member did point out some issues, such as the cost of producing an annual report. Normally, information would be provided on costs and on the number of participants in the program. Of course, certain criteria will established.

[*English*]

In reference to the member of the third party, we on the government side will not be supporting this motion. However, it is not necessary to enact a provision requiring the annual report to be referred to the justice and legal affairs committee.

Reports which concern matters relating to justice and legal affairs are presently referred to the justice and legal affairs committee.

With respect to the motion which specifies the content of the annual report to be tabled by the solicitor general before Parliament, many pieces of legislation require the tabling of an annual report without listing the specific information the report should contain.

The list of items provided in this motion is extremely helpful and will be referred to the commission for its consideration. It is important that care be taken to ensure that the information included in the report does not inadvertently compromise any witnesses in the program or the program as a whole.

Members of the justice and legal affairs committee will have the opportunity to review and assess the first report to ensure that the appropriate balance has been achieved in terms of informing the public without compromising the integrity of the program.

Therefore we will not be supporting the opposition motion presented to us.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, as a a new member of the House, having been here only two years, it is always discouraging and dismaying for me to see not only in the House but in committee when the minister, through his parliamentary secretary or through his own directive, indicates what he wants the committee or the House to do, and everyone else on the government side simply follows suit regardless of the impression the amendments make on their own common sense.

It is dismaying for me to hear that the government is not going to support this amendment regardless of the common sense that it makes, regardless of the protection that it might provide in terms of checks and balances for the witnesses who are dragged into this system because of circumstances, perhaps in many cases beyond their own control. The government side is not prepared to honour the checks and balances that would protect the vulnerability of the witness entering into this program.

Let me tell members how vulnerable those people are. They come into the program because their life or the lives of their children may be threatened. They know that unless they abide by the wishes of their handler he or she can have an enormous impact on pulling the protection program out from under them.

What we are asking for in this amendment is simply a degree of accountability on the part of the commissioner who will be administering the program. Having served 14 years with the Mounted Police I know the commissioner never knows anything about things that often happen at the grassroots level because the only channel of communication he has are the reports he reads from people who prepare the reports at the grassroots level.

Consequently there are many things that could happen and are happening to these witnesses according to the testimony we have heard which places them at enormous vulnerability, where their grievances are not met and where they have absolutely no recourse. They ought to have a reasonable degree of recourse through their elected representatives who would review the program on an annual basis with these requirements. What does the commissioner have to provide for in his report to the solicitor general? What is it? Practically anything he wants unless there are some type of guidelines, the type of guidelines provided for in this amendment.

We do not want to know the names or the places of residents or any other factor that would place the witnesses in a vulnerable situation. Absolutely not. That is not the purpose of this amendment. What we want to do is have a degree of accountability in greater depth than a casual report from the commissioner. We see these kinds of reports. They have been submitted to the minister, whether from SIRC or some other statutory requirement.

• (1635)

They simply say what they want to say and withhold whatever information they want simply because there is no statutory requirement to provide that information. This amendment would go a long way to establish a reasonable check and balance on a program that involves innocent people and places them in very vulnerable situations. I support this amendment and I will be supporting the bill.

When we create these sorts of bills we ought to ensure citizens are provided the greatest degree of protection possible and not those who administer the program.

I urge all members to seriously consider and support this bill. It provides the reasonable checks and balances this kind of program ought to have.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, a recorded division on the proposed motion stands deferred.

Following an intervention of the chief government whip, the vote will be deferred to the end of Government Orders today.

* * *

BANKRUPTCY AND INSOLVENCY ACT

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): moved that Bill C–109, an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and the Income Tax Act, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, before I talk specifically about the amendments to the Bankruptcy Act, Bill C–109, it is important to go back and have a little history on how the bill evolved.

• (1640)

I hope later today we will hear from our colleague, the member for Dartmouth, because in opposition he was our critic for consumer and corporate affairs and had a tremendous hand in crafting this bill on bankruptcy and insolvency. It is a complex bill because it includes a lot of provisions affecting the bankruptcy and insolvency area.

This bill contains almost 100 pages and has provisions affecting procedures in consumer bankruptcies and proposals, landlord compensation where leases are disclaimed in reorganizations, liability of directors and stays of action against directors during reorganizations. It includes the whole area of protection of trustees and receivers against personal liability for pre–appointment environmental damage and other claims, workmen's compensation board claims, the dischargeability of student loan debts.

Also included are the licensing and regulation of trustees and their liability in relation to other activities related to business, the requirement that bankrupts pay part of their income to the bankruptcy estate, securities, firm bankruptcies and international solvencies, and so on.

I have gone over those issues because it is important to understand this is a very complex area but vital in terms of making sure the environment is good for creating opportunities for business men and women to get involved in risk taking. It is also very important that we deal with the issue in terms of protecting the consumer.

The amendments we are putting forward today are a further striking of a balance between rehabilitation and obligation. In other words, the emphasis in the bill is to make sure we do everything we can to help preserve jobs and the businesses that create them. Rather than automatically having a situation in which people lose their businesses, we create an environment in which we can actually help them through and that before they

become bankrupt we take every measure possible to help them through difficult circumstances.

The amendments to the bill we are dealing with today are further refinements of the bill from 1992. This was a commitment we made. When the last bill was approved in 1992 we said that three years later we would have a review. We have listened to people from across Canada, from business groups and consumer groups. These amendments reflect the recommendations the study group proposed.

I will deal specifically with the amendments: "The maintenance of income support benefits, such as GST tax refunds, that allow families and individuals to meet their essential needs". Under the proposed legislation these benefits are exempt from seizures unintended to reimburse creditors.

"The priority status for provable claims by divorced or separated spouses for spousal or child support payments". Previously spouses were not considered creditors.

"Debtors to meet their obligations where a sexual or physical assault charge resulted in penalties". The amendments make these judgements non–dischargeable and allow support for assault victims to discontinue.

• (1645)

The bill also has a further refinement in the area of student loans, tighter control of premature student bankruptcies intended to discharge responsibility from student loans. In recent years the federal government has lost over $60 million per year in loan defaults as a result of early student claims of bankruptcy. The proposed changes will make student loan debts non–dischargeable for 24 months following termination of studies, recognizing that some students experience real economic difficulties. The amendments complement a variety of repayment options during that 24–month period including no repayment in situations of hardship.

Also individuals can make recompense from a portion of surplus income deemed to exceed a minimum cost of living. This provision provides for a regularized repayment schedule and encourages bankrupt individuals to make their best effort to reimburse their creditors.

Under directives from the superintendent of bankruptcy, trustees will have powers to establish rates and terms of a conditional discharge. This will save court costs and will allow for a personalized arrangement between a bankrupt individual and his or her creditors. Also spouses can make a joint consumer proposal where their financial relationship requires a co–ordinated repayment effort. These new provisions streamline the proceedings and save costs.

There is more time for creditors to review debtor proposals and a quicker response from the courts to those proposals. The old waiting period for creditors would be extended from 30 days to 45 days. The courts would have 15 days to indicate whether the proposal had been accepted as opposed to the current response period of 30 days. Otherwise the proposal would be deemed to be accepted. There is also a provision for counselling for persons related to the debtor.

That essentially represents the essence of those amendments in terms of the individual. We also have further amendments relating to businesses, farmers and fishermen. We feel confident that the House will support all of these amendments, certainly because of the participation of the advisory group.

Over the next little while the House has to deal with the whole issue of creating confidence in the marketplace. I personally do not like dealing with the whole issue of bankruptcy and insolvency. Even though the bill is there to protect and to make sure that people are treated fairly, I believe there is a very high level of anxiety in the marketplace right now. One of the things we must do as members of Parliament is make sure that we somehow work at creating an environment where the confidence level in the business community is returned to what it used to be.

It is only when people have confidence in the marketplace and confidence in themselves that they take the risk that generates production and job opportunity which eventually creates a condition in the marketplace where bankruptcies are minimized. In the last couple of years, even though bankruptcies have really remained constant, the bottom line is that we still had too many. The quarterly releases on the number of bankruptcies tend to send a shiver right through the marketplace. It is a domino effect. It has an adverse impact on the confidence of the entire marketplace.

It is hoped this bill will assist in giving individuals and business men and women every opportunity to avoid or get around having to go through that dreaded experience of bankruptcy and insolvency.

• (1650)

I hope we can get the support of all members for the speedy passage of this bill.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the remarks made by the hon. member for Broadview—Greenwood about Bill C–109. This is a bill whose full–blown title is an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and the Income Tax Act.

It is quite bulky, as my hon. colleague pointed out, and it is difficult to read, which is understandable, since the 1992 reform had been 13 years in the making, that is to say from 1979 to

1992. The government finally tabled the famous bill that had taken all that time to prepare, the act of 1992 that Bill C–109 now seeks to make substantial changes to.

I agree with the hon. member opposite when he says that bankruptcy is a problem, a complex problem. A balance must be struck between the responsibility all of us have to pay what we owe and the hope to be able, even when deep in debt, to have a decent living and perhaps manage to pull through, whether we have put ourselves in this difficult financial situation or it is the result of a business venture we started that did not do too well.

According to the minister's release, this bill contains more than 70 amendments to the Bankruptcy Act. In the little time we have had to examine this legislation, I managed to review the principles. There are three, at the beginning of the bill, relating to consumer bankruptcies. For example, debts will now be repaid from excess income, that is to say income over and above the minimum cost of living.

But nowhere in the bill is this concept of minimum cost or standard of living defined. I guess that it will be up to the Superintendent of Bankruptcy, somewhere in Canada, to determine—arbitrarily at times, I am afraid—what this minimum will be. Take Quebec for example. I do not know if the same thing applies in other provinces, but surely it must. In Quebec, we have the Code of Civil Procedure, and section 553 et seq. provide that a portion of someone's salary cannot be garnished. Therefore, if the superintendent for Quebec decided to ignore what section 553 says about part of someone's salary being exempt from seizure in Quebec, I sincerely wonder—and I am not being facetious—who would be encroaching on whose jurisdiction then?

That has not been set out in the bill. I understand that is not its role, but that is an ambiguity that is likely to create uncertainty for some people and also—and I hope this will not be the rule—to open the door to abuse, to lead to abuse.

There is another principle here, the obligation for the debtor to discharge his or her financial responsibilities relating to alimony for his or her spouse and children or relating to damages awarded by the courts to compensate for physical or sexual assault. I cannot but commend that. Frankly, this is a provision that, in my opinion, is absolutely fundamental, and I commend the Minister of Industry for it. He is showing concern for his fellow citizens who might have been victims of some highly reprehensible acts. Otherwise, the offender could say: "It is very simple, I go bankrupt and we forget all about the harm I have done to you". I endorse without any reservation that provision in the bill.

• (1655)

A third point is that it will be impossible for students to retire their student loan debts within two years of completing their education. Need I say I do not agree?

Not too long ago, we had before us the budget implementation bill. If memory serves, it was Bill C–76. We talked about students. We raised the level of their financial contribution to their own education by providing additional loans. The issue gave rise to a rather heated debate in the House. Some said that students would end up with debts of $28,000 or $30,000 or more.

We thought the government was not being reasonable in that bill, because the students had their talents nipped in the bud in that they were being put in a state of virtual bankruptcy the moment they entered the labour market. Our remarks did not fall on deaf ears, as demonstrated by this bill in which the Minister of Industry tells us that students are actually overburdened, but they will not be allowed to file for bankruptcy, at least not within the first two years.

I cannot agree with this. True enough, we should always keep a proper balance between the obligation to pay one's debts and the right to lead a meaningful life. All Canadians have both this duty and this right. Fortunately, one provision in this bill makes it at least possible to have some cases examined on their merits. In some cases, students could avoid paying back their loan in full.

There are underlying social principles in this legislation. This bill also includes another provision that deals with the overall enforcement of the Bankruptcy and Insolvency Act, and I am talking about the trustees.

Since the new legislation came into force in 1992, it has not been easy in the province of Quebec. We had some quasi–fraudulent bankruptcy cases that caused a lot of stir. For example, Zoom Informatique was dealt with very harshly by the courts because of the actions of the trustees involved in the case. We also heard of a lawyer named Sirois who went bankrupt, a bankruptcy involving $1.6 million which was highly contested. Mr. Sirois was the father of the Bankruptcy Act that we are about to modify today. He was also a bankruptcy expert in Quebec.

Not surprisingly, the bankruptcy authorities really got raked over the coals on television, during some very popular and highly rated CBC television programs such as *Enjeux*, which examined these fraudulent bankruptcy cases.

I think that the problem will remain, even though we try to licence and regulate the trustees in this bill, because in the mind of the people the problem lies with the fact that the profession of trustee is not legally recognized as a corporate body, as is the case with the Ordre des avocats du Québec, the Canadian Bar Association, the associations of architects and professional engineers, the College of Physicians and Surgeons, all professional associations that are legally recognized and can perform peer reviews at any time in order to preserve a degree of dignity for their profession.

Unfortunately, it seems that trustees in bankruptcy do not form a profession. Recently, I noticed that, pursuant to the provisions of the Bankruptcy Act, a code of ethics for trustees

had been published in *The Canada Gazette*. It dealt with sections 54(30), (31), (32), (33), (34), etc.

• (1700)

Sure, these are great principles and I have nothing against them. Except that the enforcement of these sections of the code of ethics is never monitored unless a complaint is filed, because the Superintendent of Bankruptcy is overloaded. He cannot do it on his own, although this legislation is now giving him the authority to commission inquiries. If an association of trustees in bankruptcy were created, mandated primarily to protect the public interest and empowered like the other professional associations to issue licences, then we could have something valid.

This bill almost gives quasi–judicial powers to the trustee. The trustee almost becomes a public officer. According to the documents we were given, the bankrupt person must reimburse what he or she owes with his or her income considered to be in excess of the minimal cost of living. Whatever that is, as I said earlier.

This clause provides for a regular repayment schedule and encourages the bankrupt person to do everything possible to repay his or her creditors. Great! Under the supervision of the Superintendent of Bankruptcy, who is already overloaded, we can immediately see from what is happening in the bankruptcy sector that the trustees will have the power to set the rates and the terms of a conditional discharge, the power to decree or decide, that is a quasi–judicial power.

According to the Bankruptcy Act that was replaced in 1992 and to the one that is now in force, the trustee acts in the interest of the creditors. The trustee does not have to be impartial in dealing with a bankruptcy. The trustee is primarily a representative of the creditors, not the person in bankruptcy.

Unfortunately, it is totally different in practice. Someone who is in dire financial straits decides, on the recommendation of a friend or a relative, to consult a trustee he knows well and tells him: "Look. I want to make an assignment, would you look after my case?" It is not in the interest of the trustee, who has a reputation for kindness, who is an expert in public relations, to ruin his own reputation. So, unless the creditors he is supposed to represent under the authority of his legal mandate are opposed to it, the trustee will continue to be rather lenient with the bankrupt individual, which is fine, but unfortunately, he will do it at the expense of the creditors who, more often than not, will end up licking their wounds.

The bill adds another dimension to the treatment of bankruptcy cases. For example, in the distribution or collocation order, greater importance is now given to the environmental aspect. We can imagine a situation where a contaminated building is in the possession of a trustee; the assets would first be used to decontaminate the ground.

I have some difficulty with this clause in combination with clause 18 modifying the existing act—so it is not something new—which provides: "The trustee may, with the permission of the inspectors, divest all or any part of the trustee's right, title or interest in any real property of the bankrupt". It could be that, if the trustee becomes aware that the land has no realizable value, he will get rid of it and pass on his responsibility to decontaminate the site to someone else. It is not clear in the bill. It was just to put a damper on my pleasure at finding this provision in the bill.

Unfortunately, the government could have taken the opportunity to include, in the distribution and collocation order, the salaries of employees present at the time of the shut–down of a corporation, for example.

• (1705)

That was the reason behind my colleague from Portneuf's tabling of a private member's bill. The bill was passed at second reading in the House before being sent to a committee. That was the last we heard of it. I saw the Minister of Industry of the time in a fit of ministerial pique when he realized that the bill had been passed. Maybe this is why the bill is being dragged out in committee. I do not know. Nevertheless, the bill has never come back here.

It went along the same lines and was in the same spirit as the decontamination clause, except that the last employees, thanks to whom the company had lasted so long and who had kept supporting it during a not necessarily easy winding up period, had priority over the decontamination of the site. And the moment a trustee in bankruptcy comes in and shuts the company down, he fires them all and does not owe them anything. In the priority of claims, they come far behind the banks; the seven big banks that made $4.3 billion in net profit last year.

I was listening to the hon. member for Broadview—Greenwood, and we all know how attached the Liberals are to big banks. We could see it when Liberal Party's list of contributors was made public. This bank gave $250,000, that one $250,000 and so on, quarter million chunks. Those poor banks netted only $4.3 billion last year. Of course, it was impossible to table a bill on bankruptcy without protecting their interests first. This is what the hon. member for Broadview—Greenwood wanted us to swallow, like a candy coated pill. But basically, when we read between the lines, the security involved is that of the poor big banks which showed a net profit of only $4.3 billion last year.

And yet banks never lose. This is not a bill for the banks. Good for them if they get something out of it like any citizen. But the bill should have been written first and foremost with the protection of the general public in mind. There are seven banks for 31 million Canadians. It seems to me that there is no

comparison. Even if we take into account the hundred or so American and Canadian trust and leasing companies, there are still a lot more people than financial institutions in our society.

I have the strong impression that the bill's purpose is to protect investors, that is major banks, leasing companies, rather than to try to help ordinary Canadians who are often affected by a bankruptcy, those who end up losing a few weeks' or a few months' pay if not their shirt. The government did not display much concern for these people in this legislation, despite all the enthusiasm shown by the member for Broadview—Greenwood in praising this bill.

I am also delighted to see in the bill that small businesses will no longer be forced arbitrarily to declare bankruptcy, that factors such as the possibility of recovery, job losses, etc. will have to be considered. I think it is just great.

But if the Minister of Industry wanted to be realistic and if arbitrary business closures because of bankruptcy or insolvency were his main concern, and it shows in this bill, what is he waiting for to introduce meaningful legislation based on some of the principles in the Quebec legislation on agricultural zoning?

• (1710)

In Quebec, we had the political will to say: "Enough is enough. Farmland will not be parcelled out any more. If you decide to buy a large piece of land, you will have to live with it. You will not be able to sell it off in small parcels". Today, corporate raiders as they are called come along and buy businesses that often play a vital role in our economy.

Take the case of Canada Packers, which had been in Canada and in Quebec for at least 125 years, more precisely in Pointe–Saint–Charles. Then comes some professional auctioneer who buys everything for $500 million. He starts by selling separately the various components of economic activity of the company: beef production, $25 or $50 million, followed by egg, poultry, milk and oil production. He sells everything, often to competitors in that same sector.

Without any scruples, he puts 1,500, 2,000 or 3,000 heads of family out of work. His net profit is made up of the equipment, capital assets, land, buildings, etc. He heads back to England and kisses us goodbye. More often than not, he does not have to pay any tax, or if he does, the federal government usually finds out too late. He has already gone home and no longer has any assets in Canada, so the government can always try to collect.

You might say that this is not a case of insolvency when it actually happens. True, but it becomes one afterwards. So, the bill would deal appropriately with such situations. At least, this is the way I see it. If the minister is short of ideas, he should come to Quebec. When we had to deal with the parcelling out of businesses that were doing relatively well, we did some thinking and came up with the agricultural zoning act.

It is not easy to comment on a bill which has some 100 pages and is made up of bits and pieces, this in just three days. I could do a more thorough review if I had a week. I am convinced that this bill will not make it past the next stage, not necessarily because it is a bad bill, but because it goes too far in some cases and not far enough in others. What is being done to students here I have a hard time living with, but I agree with the provisions concerning damages to a person resulting from sexual assault or wilful negligence

There is one other clause in the bill which I shall address very quickly, the one which says more or less that the spouses must make a joint proposal if their financial relationship requires co–ordinated repayment on their part. These new provisions will make it possible to rationalize procedures and reduce costs. I am not sure I have properly understood all this. I will admit honestly to you that I could not find it in the bill, not because it is not there, but because the bill is too bulky to find it among all the cross–references and annotations that are very hard to follow.

But is it possible that a decision has been made to encroach on Quebec law? We know divorce is a federal matter, but marriage is a provincial one. Is the decision now being made to interfere in matrimonial regimes in Quebec or elsewhere, in other provinces, saying for example that if a husband is not solvent but his wife works, they will both be put in the same pot, both will go bankrupt, pay the trustee and make the major banks happy by paying off their creditors? Is that what the plan is?

If that is the intent, it is a disquieting one. This would put an end to matrimonial regimes, or at least meddle rather too seriously and perhaps somewhat too harmfully in the area of marriage in Quebec. Relationships within a marriage are sacred in our province, and we have—as the Prime Minister has been saying ad nauseam—been living with the tradition of a Napoleonic code since around 1806.

I therefore feel that the Bloc members will not be able to subscribe in any way, if such is the intent of the legislator in this case, to this encroachment I perceive on the provinces' constitutional jurisdiction over marriage.

• (1715)

You are signalling that my time is almost up, Mr. Speaker. I still have some time left. We go on and on, but you can see that we are well intentioned. Someone said: Hell is paved with the well–intentioned. I do not know where that comes from.

An hon. member: And it is red.

Mr. Lebel: True, Hell also happens to be red.

My point is, he ends on an upbeat note. He says: "There will be counselling for persons related to the debtor". I cannot wait. I cannot wait for someone to tell the manager of the credit union or the manager of the National Bank or the TD Bank or any other bank: "Look, we raised $20,000 by selling the assets of the bankrupt, but his wife and children are taking it very hard; the poor things cannot cope. So I am going to take $5,000 to pay for counselling".

They are going to cause a backlog in the courts with this clause. Does anyone seriously think that creditors will forego a chance to get their money back and instead pay for counselling for the relatives of a bankrupt debtor? I doubt it. This is wishful thinking. But it is an interesting point and I must say I did not expect to find this in a bill dealing with bankruptcy and insolvency.

They say that the proposed amendments harmonize Canadian practices regarding bankruptcy and insolvency with those of our international trading partners. This harmonization will simplify co–operation between countries in the case of the restructuring or insolvency of a multinational corporation and will help enforcement of Canadian regulations on the distribution of assets, creditor ranking and voidable transactions.

I do not want to get involved in private international law at this point, but it was said in your basic course in Canadian private international law, which is after all based on international agreements, that the disposition of immovable goods is determined by their *lex situs*, their location. While as far as individual rights are concerned, the law of the country of residence prevails. As far as movable goods are concerned, the law of the owner's country of residence prevails.

I cannot see how, unilaterally, through the Minister of Industry and this bill to amend the bankruptcy legislation, the federal government could come and change internationally recognized rules developed outside of Canada, under an agreement between several countries. Unless, of course—in which case, the wording of the bill is incorrect—it was intended to apply only the bankrupt's property found on Canadian soil. That would make more sense.

Another clause puzzled me, namely the one providing that farmers and fishermen, whose principal occupation is forming or fishing will not be subject to petitions in bankruptcy, even if their principal occupation is not their sole source of income. Farmers and fishermen used to be liable under the law to petitions in bankruptcy when they ventured outside their traditional line of work to supplement their income during the off season. This bill will ensure that they no longer face bankruptcy each time they become technically insolvent.

Unfortunately, the bill does not say much about the reasons why this kind of provision was included. I hope that government members who will be speaking on this bill, to explain it to us, will be able to elaborate on the motives that underlie the decision to include such provisions in the bill.

That is about all I had to say at this stage of consideration of the bill. I am not blaming anyone. As you can see, I am not criticizing too strongly the government's position. I just find it unfair as it relates to students. Also I think it is a mistake to fail, as it does, to address the situation of those workers who, often, supported the business till the very end, when it finally declared bankruptcy, when, more often than not, the president and directors of the company are long gone. They have run off to Switzerland, as is fashionable these days. Low income workers, those who have worked hard to earn a living, cannot run away. They are forgotten in all this.

• (1720)

I urge the government to show more willingness to co–operate with the opposition to achieve a position that will be effective in maintaining this balance between the duty to pay one's debts and the need to survive.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is an honour to make comments about Bill C–109, a bill dealing with the bankruptcy and insolvency of certain businesses and individuals. One thing that appears in the bill is a demonstration of humanitarianism during bankruptcy.

This is a particularly meaningful amendment to the bankruptcy act. In 1992 there was an amendment to that act. That amendment took place 40 years after the initial bankruptcy act was enacted; 40 years of unamended legislation. In 1992 a three–year review clause was introduced which brings the act to our attention now, which is too short a period of time. Not enough experience was obtained as a result of the amendments made in 1992. Now the proposal is that the next amendment take place seven years hence. That makes really good sense.

What is the bankruptcy act all about? It is supposed to protect three categories. The first is consumers. We want to protect that group. We want also to protect the creditors who have loaned money to other people. We want to protect the economy. Bankruptcies are disruptive to individuals, to industry and to the economy in general.

We want to protect the consumer in the sense that he or she should not enter into debts which he or she cannot afford to repay or that somehow he or she has not planned to repay properly.

How big is this problem of bankruptcies in Canada? I have a statement of September 1995 which I will go through to give a perspective of how big this problem is. I start with Newfoundland. In September bankruptcies amounted to $32.1 million; in Nova Scotia, $59.7 million; in Prince Edward Island, $3.9 million; in New Brunswick, $35.2 million; in Quebec, $1.52 billion; in Ontario, $1.932 billion; in Manitoba, $32.3 million; in Saskatchewan, $49.475 million; in Alberta, $294 million; in

British Columbia, $275.1 million; in the Northwest Territories, $1.97 million; in Yukon $29,267.

• (1725)

Let us put that all together. Bankruptcies in Canada in September represented liabilities of $4,268,000,000. That is a significant sum of money. That is what we are talking about when we deal with bankruptcies. That is one month. It is not a small issue we are dealing with here.

There seems to be a psychosis developing. We have a government that has incurred debt upon debt. It calls it deficits from year to year. As that deficit accumulates from one year to the next, it becomes a debt on the present year. The deferral of these payments keeps adding up, until now it is $567 billion. That is the debt the Canadian government has incurred on behalf of the people of Canada.

We look at the government and say if it is all right for the government to keep on borrowing money, maybe we can do the same and so we have credit cards. I do not know how many of us here in the House have more than one credit card, but I dare presume there are a number of people who do. My colleague says he does not. He has one. It is probably so big that he can buy a car on the basis of his credit card. He is probably not the only who can buy a car on his credit card.

People have added debt upon debt and they follow the example of government. The other day the Conference Board of Canada made an observation that the individual Canadian has a debt load probably larger than it should be.

We have at least a threefold issue being dealt with here in bankruptcy: the individual consumer, the creditor who has lent this money or provided service or material and the economy on a larger basis.

This bill is trying to reach an equilibrium that encourages rehabilitation so that individuals or a company or corporation that finds itself in a situation in which they cannot repay their debt will be able to reorganize, restructure in such a way that they can rehabilitate themselves and again become a contributing element in our economy. We have to compare that rehabilitation over and against the obligation they have to pay off the debt they have incurred on behalf of someone else, on behalf of themselves, or on the basis of a director of a particular company.

If a business goes bankrupt how does it affect the economy in which we live? The first thing that happens is taxes go down. We do not collect the amount of taxes we ought to.

My colleague from the Bloc indicated very clearly how disruptive it is to the employee of a company that goes bankrupt. The individual does not have a job any more. This has an effect on the family structure. It puts stress and strain on the relationship between husband and wife, between the parents and the children, between the children and their parents and it becomes increasingly complicated. It has an effect on the mortgage payments they have to make, the credit card bills they are responsible for and a chain reaction develops.

Therefore what seemed to be one case becomes a multiplication factor that finds its way in a variety of cases all the way through to the grocery store, the furniture store, the clothing store and so on down the line.

In Canada we need an economy that builds, that grows, that develops. This will not happen in a situation in which people are fearful that their business is going to go down. In one month we see liabilities of $4 billion being accumulated. That is very extensive. This is no small issue that has to be dealt with.

I will deal with some of the provisions of the bill. The bill deals in a variety of areas with very technical issues. Two–thirds of the bill, as I understand it, has to do with technical amendments that try to harmonize the provisions of this legislation with the legislation that exists with the provinces and in other areas. It comes to grips with issues such as international creditors and bankruptcies on an international basis, securities firms and how they operate, and it brings into focus more accurately the situation as it exists between those people who are earning their livelihood in part from farming and fishing and in other parts from other kinds of income they might have.

• (1730)

The old act stated that persons who declare bankruptcy, if their sole income is from farming and fishing, can declare bankruptcy in that particular area. In today's economy there are many people whose main income comes from fishing but it is not sufficient for them to earn a living and they have to supplement their income. In other cases people have a professional job and they have a hobby farm. Sometimes they will declare bankruptcy on the one side but not on the other. This bill brings those things into reality and harmonizes and balances them.

I would like to speak on the humanitarian aspect of the legislation. There is one aspect in particular about which I would like to speak, and that has to do with the situation where a divorce has taken place and an individual is obligated to make support payments to the spouse or children. Some of these individuals decide to declare bankruptcy rather than make the

support payments. If they declare bankruptcy they will no longer be liable for the support payments. This bill deals with that issue. It states that the obligation for support payments of either a spouse or children are part of the liabilities, as is the case with a mortgage or a loan. In fact the bill goes so far as to say that support payments are a priority on the list of creditors to be paid. That is a very humanitarian approach, which is necessary.

The bill adds another clause, which is equally significant to the one I have just referred to, and that has to do with difficulties that arise because of an assault. On that basis, the person declaring bankruptcy is liable and a creditor can make a claim.

The third area has to do with student loans. At the present time there are a number of students who are experiencing great difficulty in making their student loan payments. They graduate from university or from some other post–secondary institution where they have incurred an extensive debt and they find they cannot make the payments. They have no prospects for a job, at least not immediately. They look at the situation and say: "There is an easy way out of this. I will declare personal bankruptcy and then I will no longer be liable for the debt. It will all be over. After having lived the good life and behaving myself, my credit rating will be built up again, this will not be held against me and my debt will be discharged".

That will no longer be possible under this bill. Students who incur a loan and who plan to escape from paying that loan by declaring bankruptcy will still be liable two years after the date on which their bankruptcy has been declared and accepted. Two years from that date they are still liable to make their student loan payment. At that point a new provision kicks in, which suggests that if the student is still having difficulty and cannot meet his or her financial obligations, other arrangements can be made. I believe that is a fair and equitable provision.

The other point I want to raise has to do with the situation where creditors and debtors cannot agree and they fight with one another as to what is a reasonable settlement in terms of the portion of the debt that can and should be paid by the person who has declared bankruptcy. The bill provides for a mediation process and mediators so that these people do not have to go to court and incur expensive legal costs. Rather, mediation can take place and the matter can be settled out of court as expeditiously as possible. I think that is an excellent provision in this particular piece of legislation.

The other elements in this legislation that we want to commend at this point have to do with the recognition that there are certain international insolvencies that take place. At the present time it is difficult to move across boundaries. Assets have to be moved, papers and things like this across borders and cases cannot be heard in another country. The legislation now provides for those hearings to take place within the country where the insolvency takes place or they can be heard where the individual resides.

Another area the bill deals with has to do with securities firms that go bankrupt. These are particularly difficult and highly complicated situations. These are securities firms ranging all the way from brokerage houses to houses that deal with only mutual funds and the complications that can arise in those situations. This is where I think the bill is somewhat deficient. There are clarifications that need to be made in this bill as to just exactly how those kinds of bankruptcies can be resolved and dealt with. The length of time it takes to deal with some of the details here is rather substantive. In the meantime, many things could have changed and probably have changed.

It becomes very necessary for us to recognize that while this bill has some very positive things in it, there are some deficiencies in it.

When we go into the technicalities of the bill, the bill has done some things I really found rather humorous when I looked at them. In the existing act it states that there is a two–day time frame in which to present a particular proposal. In the new act it states that it is going to change to three days. In another instance three days becomes five days. In another situation 14 days becomes 15 days. In another instance 15 days becomes 14 days. In another situation 90 days becomes three months. In other cases three months becomes 90 days.

When I asked the people who put the bill together why they did this, they said they wanted to be consistent so that it would be very specific. I asked a question about the old bill, which stated 90 days, and the new proposed bill before us states three months. Mr. Speaker, you and I both know that three months are not necessarily 90 days; it could be more or less than 90 days. In that instance, we need to recognize that the apparent consistency is lacking. Perhaps the people in the committee should look at this in some detail and say let us be consistent: if we are going to use days then let us use days and if we are going to use months then let us use months, but let us not confuse it by moving back and forth. It is not a reasonable thing to do. That is one area we need to look at.

The other thing the bill does, which I found very interesting, is there is no such thing as a man or a woman in this bill. There are only creditors and the people who are bankrupt. This is very interesting. I guess in order to be politically correct we no longer speak about men and women. We now speak about creditors and bankrupts. I do not know how significant this is but there it is. A whole bunch of money and a lot of time has to be spent to change the legislation so that it becomes politically correct by taking gender references out of the particular legislation.

I think I am getting very close to the end of my time for today. I would like to touch on the area of directors' liability, but rather than starting halfway through here I will stop my intervention at this point and defer the directors' liability portion to the next opportunity I have to rise in the House.

The Acting Speaker (Mr. Kilger): It being 5.39 p.m., I must now proceed to some deferred votes. The member for Okanagan Centre will certainly have 20 minutes remaining in his time allocation if he chooses to continue to speak when the bill returns to the House.

* * *

[*Translation*]

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT ACT

The House resumed from November 23 consideration of the motion that Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): It being 5.39 p.m., pursuant to the order made on Thursday, November 23, 1995, the House will now proceed to the taking of the deferred division on the motion at second reading of Bill C–96.

Call in the members.

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

(*Division No. 375*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—140

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau

Sauvageau	Schmidt
Silye	Solomon
Speaker	Stinson
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	White (North Vancouver)
Williams—91	

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St-Laurent	St. Denis
Stewart (Northumberland)	Walker

• (1805)

[*English*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

[*Translation*]

AUDITOR GENERAL ACT

The House resumed from November 23 consideration of the motion that Bill C-83, an act to amend the Auditor General Act, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to the order made on November 23, 1995, the House will now proceed to the taking of the deferred division on the motion at the third reading stage of Bill C-83, an act to amend the Auditor General Act.

[*English*]

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on the main motion for second reading of Bill C-96 to the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed.

Mrs. Gaffney: Mr. Speaker, had I been here for the last vote I would have voted with the government on the last bill and I will so vote with the government on this bill.

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

(*Division No. 376*)

YEAS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bernier (Beauce)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin-Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Bryden	Caccia
Calder	Cannis
Catterall	Cauchon
Chamberlain	Chan
Chrétien (Saint-Maurice)	Clancy
Cohen	Collins
Copps	Cowling
Culbert	DeVillers
Dhaliwal	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Guarnieri	Harb
Harper (Churchill)	Harvard
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lavigne (Verdun—Saint-Paul)	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacAulay
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
O'Brien	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Payne	Peric
Peters	Phinney
Pickard (Essex—Kent)	Proud
Regan	Richardson
Rideout	Ringuette-Maltais
Robillard	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Simmons	Speller
Steckle	Stewart (Brant)

Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—141

Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Chrétien (Frontenac)
Dalphond-Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)
Williams—91

Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
White (North Vancouver)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St-Laurent
Stewart (Northumberland)

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

NATIONAL HOUSING ACT

The House resumed from November 27 consideration of Bill C–108, an act to amend the National Housing Act, as reported (without amendment) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the concurrence motion at report stage of Bill C–108, an act to amend the National Housing Act.

• (1810)

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent for those members who voted on the preceding motion to be recorded as having voted on the motion now before the House, with Liberal members voting yea.

Mr. Duceppe: Mr. Speaker, Bloc members support this motion.

[*English*]

Mr. Ringma: Mr. Speaker, Reform members will vote no except for those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party in the House vote yes on this motion.

Mr. Bernier (Beauce): Yes, Mr. Speaker.

Mr. Bhaduria: Mr. Speaker, I support the motion.

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

(*Division No. 377*)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)
Barnes
Bélair
Bélisle
Bergeron
Bernier (Gaspé)
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Caron
Cauchon
Chan
Chrétien (Saint-Maurice)
Cohen
Copps
Culbert
de Jong
Debien

Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Cowling
Dalphond-Guiral
de Savoye
Deshaies

DeVillers
Dromisky
Duceppe
Dumas
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Gerrard
Goodale
Gray (Windsor West/Ouest)
Guay
Harb
Harvard
Hubbard
Iftody
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Patry
Peric
Phinney
Pickard (Essex—Kent)
Proud
Richardson
Ringuette-Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Vanclief
Verran
Wappel
Wood
Zed—187

Dhaliwal
Dubé
Duhamel
Dupuy
Eggleton
Fillion
Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier
Godfrey
Graham
Guarnieri
Guimond
Harper (Churchill)
Hopkins
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Ménard
Milliken
Minna
Murphy
Nunez
O'Reilly
Paradis
Parrish
Payne
Peters
Picard (Drummond)
Plamondon
Regan
Rideout
Robillard
Sauvageau
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Tremblay (Rosemont)
Venne
Volpe
Wells
Young

NAYS

Members

Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Breitkreuz (Yellowhead)
Bridgman
Cummins
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Speaker
Strahl
White (Fraser Valley West/Ouest)
Williams—45
Epp
Frazer
Gouk
Hanger
Harper (Calgary West/Ouest)
Harris
Hayes
Hill (Macleod)
Hoeppner
Johnston
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
White (North Vancouver)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St-Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

[*Translation*]

BANK ACT

The House resumed from November 27 consideration of the motion that Bill C-100, an act to amend, enact and repeal certain laws relating to financial institutions, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on second reading of Bill C-100, an act to amend, enact and repeal certain laws relating to financial institutions.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe that you would find unanimous consent to apply the results of the vote on Bill C-83 at third reading to the motion now before the House.

Mr. Duceppe: We agree, Mr. Speaker.

[*English*]

Mr. Ringma: Agreed, Mr. Speaker.

Mr. Solomon: Mr. Speaker, we vote no on this matter. I note that some Reform members have left the House since the last vote and I am wondering if their votes will be applied.

Mr. Ringma: Mr. Speaker, if three Reform members did leave, please delete them from the voting record.

Mr. McClelland: Mr. Speaker, the members for Macleod, North Vancouver and Prince George—Bulkley Valley are no longer in the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): I had stopped at the whip of the New Democratic Party. Did the hon. member for Beauce say how he would vote?

Mr. Bernier (Beauce): Mr. Speaker, I will vote for the motion.

[*English*]

Mr. Bhaduria: I vote for the motion, Mr. Speaker.

Mr. McClelland: Mr. Speaker, I will be voting in support of the motion.

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

(*Division No. 378*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Massé
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—142

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
Williams —87
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St-Laurent	St. Denis
Stewart (Northumberland)	Walker

• (1815)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed from November 27 consideration of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, as reported (with amendments) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred divisions at report stage of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts.

The first question is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on the report stage Motion No. 1 of Bill C–52 a moment ago be recorded as having voted on the motion now before the House with Liberal members voting nay.

The Acting Speaker (Mr. Kilger): May I seek a point of clarification from the hon. government whip. I want to be sure that we are all at the same page and that the question is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, I understand we voted a moment ago on the amendment to report stage Motion No. 1.

The Acting Speaker (Mr. Kilger): If I could help the House, the division is on the first question which is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, I understand we voted on the amendment to report stage Motion No. 1 and now we are voting on the report stage Motion No. 1 itself.

The Acting Speaker (Mr. Kilger): We had completed voting on Bill C–100. If I follow the schedule given to me earlier, we are now at item E of Bill C–52 on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, that is correct. Liberal members will be voting nay.

[*Translation*]

Mr. Duceppe: We support this amendment, Mr. Speaker.

[*English*]

Mr. Ringma: Reform Party members will vote no, except those who choose otherwise.

Mr. Solomon: Mr. Speaker, New Democrats vote no on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote no on this motion.

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

(*Division No. 379*)

YEAS

Members

Bélisle	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Caron
Chrétien (Frontenac)	Dalphond-Guiral
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Marchand	Ménard
Nunez	Paré
Picard (Drummond)	Plamondon
Rocheleau	Sauvageau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne—39	

NAYS

Members

Adams	Alcock
Allmand	Althouse
Anawak	Anderson
Arseneault	Assad
Assadourian	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Benoit	Bernier (Beauce)

Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Cohen
Copps
Culbert
de Jong
Dhaliwal
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McLaughlin
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peric
Phinney
Proud
Regan
Rideout
Ringuette-Maltais
Schmidt
Serré
Silye
Solomon
Speller
Stewart (Brant)
Strahl
Taylor
Terrana
Bethel
Bhaduria
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
Cummins
DeVillers
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West/Ouest)
Guarnieri
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest/Sud-Ouest)
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speaker
Steckle
Stinson
Szabo
Telegdi
Thalheimer
Thompson
Vanclief
Volpe
Wells
Williams
Young
Torsney
Verran
Wappel
White (Fraser Valley West/Ouest)
Wood
Zed—190

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St-Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

● (1820)

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare the amendment negatived.

[*English*]

The next question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House. Liberal members will be voting nay.

[*Translation*]

Mr. Duceppe: Bloc members support this motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members will vote in favour of the motion, except those who want to do otherwise.

Mr. Solomon: New Democrats in the House will vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote against this motion.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 380*)

YEAS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron

Chrétien (Frontenac)	Cummins
Dalphond–Guiral	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier	Gilmour
Gouk	Grey (Beaver River)
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	McLaughlin
Ménard	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Silye	Solomon
Speaker	Stinson
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	Williams —88

NAYS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bernier (Beauce)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Bryden	Caccia
Calder	Cannis
Catterall	Cauchon
Chamberlain	Chan
Chrétien (Saint–Maurice)	Clancy
Cohen	Collins
Copps	Cowling
Culbert	DeVillers
Dhaliwal	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Guarnieri	Harb
Harper (Churchill)	Harvard
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lavigne (Verdun—Saint–Paul)	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacAulay
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McLellan (Edmonton Northwest/Nord–Ouest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
O'Brien	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Payne	Peric
Peters	Phinney
Pickard (Essex—Kent)	Proud
Regan	Richardson
Rideout	Ringuette–Maltais
Robillard	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Simmons	Speller
Steckle	Stewart (Brant)
Szabo	Telegdi
Terrana	Thalheimer
Torsney	Vanclief
Verran	Volpe
Wappel	Wells
Wood	Young
Zed—141	

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St–Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

The next question is on Motion No. 2. An affirmative vote on Motion No. 2 obviates the necessity of putting the question on Motion No. 3. A negative vote on Motion No. 2 necessitates the question being put on Motion No. 3.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent for those members who voted on the preceding motion to be recorded as having voted on the motion now before the House, with Liberal members voting yea.

Mr. Duceppe: Bloc members oppose this motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members oppose, except those who do otherwise.

Mr. Solomon: New Democrats in the House tonight vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote yea, Mr. Speaker.

[*English*]

Mr. Bhaduria: I support this motion.

(The House divided on Motion No. 2, which was agreed to on the following division:)

(Division No. 381)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
de Jong
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Regan
Rideout
Robillard
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Verran
Wappel
Wood
Zed —148

NAYS

Members

Bélisle
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
Williams —81
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Stinson
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 2 carried.

The next question is on Motion No. 4. An affirmative vote on Motion No. 4 obviates the necessity of putting the question on Motion No. 6. A negative vote on Motion No. 4 necessitates the question being put on Motion No. 6.

[*English*]

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent that the vote taken on report stage Motion No. 1 be applied to the motion now before the House. You might also ask if the same thing could be done in reverse for report stage Motion No. 6.

The Acting Speaker (Mr. Kilger): Let us have a replay.

Mr. Boudria: Mr. Speaker, I ask that the results taken on report stage Motion No. 1 be applied to report stage Motion No. 4.

[*Editor's Note: See list under Division No. 380.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 4 lost.

(Motion No. 4 negatived.)

• (1825)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 6.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent to apply in reverse the vote taken on the last motion to the motion now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Mr. Speaker, the New Democrats vote no on this motion.

[*Translation*]

Mr. Bernier (Beauce): Agreed, Mr. Speaker.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

(The House divided on Motion No. 6, which was agreed to on the following division:)

(*Division No. 382*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—141

Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)

Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud-Est)	Caron
Chrétien (Frontenac)	Cummins
Dalphond-Guiral	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier	Gilmour
Gouk	Grey (Beaver River)
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest/Sud-Ouest)	McLaughlin
Ménard	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Silye	Solomon
Speaker	Stinson
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	Williams —88

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St-Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 6 carried.

[*Translation*]

The next question is on Motion No. 8.

Mr. Boudria: Mr. Speaker, I ask for the consent of the House to have those members who voted on the previous motion recorded as having voted on the motion now before the House, with Liberal members voting nay.

Mr. Duceppe: Bloc Quebecois members support the motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members will vote against the motion.

Mr. Solomon: New Democrats vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote against this motion, Mr. Speaker.

(The House divided on Motion No. 8, which was negatived on the following division:)

(*Division No. 383*)

YEAS

Members

Althouse	Axworthy (Saskatoon—Clark's Crossing)
Bélisle	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Caron	Chrétien (Frontenac)
Dalphond-Guiral	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Marchand	McLaughlin
Ménard	Nunez
Paré	Picard (Drummond)
Plamondon	Rocheleau
Sauvageau	Solomon
Taylor	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne—46

NAYS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Benoit	Bernier (Beauce)
Bertrand	Bethel
Bevilacqua	Bhaduria
Blondin-Andrew	Bodnar
Bonin	Boudria
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast/Sud-Est)
Brown (Oakville—Milton)	Bryden
Caccia	Calder
Cannis	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Saint-Maurice)
Clancy	Cohen
Collins	Copps
Cowling	Culbert

Cummins	DeVillers
Dhaliwal	Dromisky
Duhamel	Duncan
Dupuy	Easter
Eggleton	English
Epp	Finlay
Flis	Fontana
Forseth	Frazer
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Gilmour	Godfrey
Goodale	Gouk
Graham	Gray (Windsor West/Ouest)
Grey (Beaver River)	Guarnieri
Hanger	Hanrahan
Harb	Harper (Calgary West/Ouest)
Harper (Churchill)	Harper (Simcoe Centre)
Hart	Harvard
Hayes	Hermanson
Hill (Prince George—Peace River)	Hoeppner
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jennings	Johnston
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lavigne (Verdun—Saint-Paul)	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacAulay
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Manning	Marchi
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	Massé
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)
McCormick	McGuire
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Broadview—Greenwood)	Mills (Red Deer)
Minna	Mitchell
Morrison	Murphy
Murray	O'Brien
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Payne
Penson	Peric
Peters	Phinney
Pickard (Essex—Kent)	Proud
Ramsay	Regan
Richardson	Rideout
Ringma	Ringuette-Maltais
Robillard	Schmidt
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Silye
Simmons	Speaker
Speller	Steckle
Stewart (Brant)	Stinson
Strahl	Szabo
Telegdi	Terrana
Thalheimer	Thompson
Torsney	Vanclief
Verran	Volpe
Wappel	Wells
White (Fraser Valley West/Ouest)	Williams
Wood	Young
Zed—183	

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St-Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 8 lost.

The next question is on Motion No. 9.

Mr. Boudria: Mr. Speaker, I am seeking unanimous consent to apply the vote just taken to the motion now before the House in an identical manner.

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

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed.

[*Editor's Note: See list under Division No. 383*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 9 lost.

(Motion No. 9 negatived.)

Hon. David Anderson (for Minister of Public Works and Government Services, Lib.) moved that the bill, as amended, be concurred in.

Mr. Boudria: Mr. Speaker, I wish to ask for unanimous consent that the vote taken on report stage Motion No. 6 be applied to the motion now before the House.

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

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 382*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Motion agreed to.)

[*Translation*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from November 27 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the third time and passed; and of the amendment.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the amendment of Mr. Sauvageau to Bill C–94.

• (1830)

[*English*]

Mr. Boudria: Mr. Speaker, the Liberal MPs in the House will be voting nay on the amendment.

I wish to indicate to the House that one Liberal member had to absent himself momentarily, the hon. member for Sarnia. Therefore, the members who voted on the previous motion will be recorded as voting nay on this motion, with the exception of the hon. member for Sarnia, who will be recorded as now having left.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members support that motion.

[*English*]

Mr. Ringma: Mr. Speaker, the Reform Party will vote in favour of the motion.

Mr. Solomon: Mr. Speaker, the New Democrats vote no on the motion.

[*Translation*]

Mr. Bernier: I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: Mr. Speaker, I will vote against the motion.

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

(*Division No. 384*)

YEAS

Members

Bélisle
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
Williams —81

Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Stinson
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
de Jong
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague

McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Verran
Wappel
Wood
Zed —147

Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St-Laurent
Stewart (Northumberland)

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the amendment lost.

* * *

[*Translation*]

SMALL BUSINESS LOANS ACT

The House resumed consideration of Bill C–99, an act to amend the Small Business Loans Act, as reported (with amendments) from a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at report stage on Bill C–99, an act to amend the Small Business Loans Act.

The first division will be on Motion No. 3.

Mr. Boudria: Madam Speaker, if you were to seek it, I think you would find that the House agrees to apply the vote taken on Motion No. 8 on Bill C–52 to the motion now before the House.

The Acting Speaker (Mr. Kilger): Are the whips in agreement?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 383*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 3 lost.

(Motion No. 3 negatived.)

[*English*]

Hon. Douglas Peters (for the Minister of Industry) moved that the bill, as amended, be concurred in.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on the previous motion in reverse to the motion now before the House.

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

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

Mr. Williams: Mr. Speaker, I wish to be recorded as being opposed to the bill.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

• (1835)

Mr. Solomon: Mr. Speaker, I was saying that we agree with the chief government whip with respect to reversing the order. We were not supporting the motion. We were in fact opposing the motion.

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

(*Division No. 385*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Benoit
Bertrand

Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bernier (Beauce)
Bethel

Bevilacqua
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
Cummins
Dhaliwal
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speller
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Verran
Wappel
White (Fraser Valley West/Ouest)
Young

Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West/Ouest)
Guarnieri
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peric
Phinney
Proud
Regan
Rideout
Ringuette–Maltais
Schmidt
Serré
Silye
Speaker
Steckle
Stinson
Szabo
Terrana
Thompson
Vanclief
Volpe
Wells
Wood
Zed—182

NAYS

Members

Althouse
Bélisle
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Caron
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Fillion
Gauthier
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Marchand
Ménard
Paré
Plamondon
Sauvageau
Taylor
Tremblay (Rosemont)
Williams—47

Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bernier (Gaspé)
Blaikie
Chrétien (Frontenac)
de Jong
Debien
Dubé
Dumas
Gagnon (Québec)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
McLaughlin
Nunez
Picard (Drummond)
Rocheleau
Solomon
Tremblay (Rimouski—Témiscouata)
Venne

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

BRITISH COLUMBIA TREATY COMMISSION ACT

The House resumed consideration of the motion that Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal MPs voting yes.

[*Translation*]

Mr. Duceppe: The Bloc supports the motion, Mr. Speaker.

[*English*]

Mr. Ringma: Mr. Speaker, the Reform Party votes no.

Mr. Solomon: Mr. Speaker, the New Democrats in the House vote yes to this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote yea, Mr. Speaker.

[*English*]

Mr. Bhaduria: Mr. Speaker, yes.

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

(Division No. 386)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bélisle
Bergeron
Bernier (Gaspé)
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Caron
Cauchon
Chan
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
de Jong
Debien
DeVillers
Dromisky
Duceppe
Dumas
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Gerrard
Goodale
Gray (Windsor West/Ouest)
Guay
Harb
Harvard
Hubbard
Iftody
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Cowling
Dalphond–Guiral
de Savoye
Deshaies
Dhaliwal
Dubé
Duhamel
Dupuy
Eggleton
Fillion
Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier
Godfrey
Graham
Guarnieri
Guimond
Harper (Churchill)
Hopkins
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Patry
Peric
Phinney
Pickard (Essex—Kent)
Proud
Richardson
Ringuette–Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Vanclief
Verran
Wappel
Wood
Zed—187
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Ménard
Milliken
Minna
Murphy
Nunez
O'Reilly
Paradis
Parrish
Payne
Peters
Picard (Drummond)
Plamondon
Regan
Rideout
Robillard
Sauvageau
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Tremblay (Rosemont)
Venne
Volpe
Wells
Young

NAYS

Members

(Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jennings
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Speaker
Strahl
White (Fraser Valley West/Ouest)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Johnston
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—42

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)

Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St-Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

WITNESS PROTECTION PROGRAM ACT

The House proceeded to the consideration of 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, as reported (with amendment) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the report stage of Bill C–78.

The first question is on Motion No. 1

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that the results of the vote on report stage Motion No. 6 of Bill C–52 be applied in reverse to the motion now before the House. The same would apply to report stage Motion No. 2.

[*Translation*]

Mr. Duceppe: Agreed, Mr. Speaker.

[*English*]

Mr. Ringma: Mr. Speaker, I understand that it is in reverse.

Mr. Solomon: Mr. Speaker, New Democrats agree except for one question that relates to the member for Sarnia. He had voted on that previous motion. Is he voting on this one or not?

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

[*Editor's Note: See list under Division No. 380*]

The Acting Speaker (Mr. Kilger): Therefore I declare Motions Nos. 1 and 2 lost.

(Motion No. 1.)

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.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): It being 6.43 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

ABORIGINAL LAND CLAIMS COMMISSION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

> That, in the opinion of this House, the government should consider the advisability of establishing a new independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

He said: Mr. Speaker, it gives me great pleasure to rise today to present to the House this motion, which seeks to bring action on the recommendation of the Indian Claims Commission.

The motion seeks the approval of the House to begin the discussion that will eventually lead to the establishment of a new Indian Claims Commission and process. I am also pleased this motion has been made votable because this means the members of the House will now have the opportunity to formally respond to the incredible and excellent work the current Indian Claims Commission has been doing.

Before beginning my formal remarks today, I want to thank the Indian Claims Commission for all its efforts in meeting the challenges of its difficult mandate and for preparing the groundwork for the next step in this important and evolving process. I am particularly grateful to claims commission co–chair Mr. Dan Bellegarde and to Mary Ellen Turpel whose legal and research work I borrowed for some of my presentation today.

• (1845)

The idea of a new claims process and policy is not a new one. As I will demonstrate later in my remarks not only did former Prime Minister John Diefenbaker advocate for an independent land claims process, so too did the Liberals as recently as the 1993 election.

However, as is also obvious it appears the current Prime Minister and the Liberal cabinet have to be reminded of their famous red book commitments and be pushed into keeping them. Most of this became very clear to me this summer during the unrest throughout Canada and particularly because of the events which took place at Gustafsen Lake in British Columbia and at Ipperwash in Ontario.

As I listened to those news reports, watched the events unfold on my television screen, read the details in the newspapers and as I talked to concerned individuals across Canada it became clear to me these were not just isolated incidents. Each had a similar message and each was echoed by other events unfolding elsewhere in British Columbia, as well as in New Brunswick and other parts of Canada.

What I and other Canadians were seeing were the expressions of long withheld emotions centred around the meaning and importance of land and jurisdiction over land held by aboriginal people from coast to coast. These emotions fueled by frustration and anger led to occupations or roadblocks which led to the involvement of the police and the exclusion of the legitimate land claims process.

In late summer I called on the Minister of Indians Affairs and Northern Development to get involved not just in the specific disputes under the eye of the media but also in the general approach to land claims resolutions that will have the ability to resolve differences before tensions erupt.

I wrote to the minister and I even questioned him in the House about the possibility of beginning the process that would lead to the establishment of a new independent land claims policy and process.

I was disappointed when the minister responded by saying he had to wait because he needed more direction. The process to begin finding that direction can be begin today. It has been clearly outlined by the Indian claims commission in the 1994–95 report. With this motion I hope the House will tell the minister to get busy, to get at it.

The process, I remind the minister, cannot be dictated by the federal government. It must be worked out and jointly agreed on with the First Nations. Arthur Durocher, writing on land claims reform for the Indian claims commission, states:

> There are many problems associated with the present land claims policies and processes. Claims are backlogged and there is a general dissatisfaction on the part of the First Nations. Changes have to be implemented as soon as possible because the longer the impasse drags on, the more difficult it will become to break. It is important that any changes that are done be done in consultation and in partnership with the First Nations. There has to be sufficient political will by the federal government to make any process viable.

In concurring with that statement, the support of the House on this motion will be very useful in securing action on this political will at this important time.

The Indian claims commission in the 1994–95 report came out in July of this year just as some of the land disputes were at their peak. I was surprised therefore when I heard very little comment from the government or the media about the Indian claims commission report itself.

If nothing else, the message from the commissioners at the beginning of the report should have alerted all of us to the importance of the matter in front of us. I will quote from that message:

> The ICC is mandated to find better ways of handling land claims. To this end we have used our considerable experience to identify problem areas and recommend solutions that will assist in creating a more expedient, fair and equitable land claims policy and process.
>
> Everything that we have learned as a commission to date indicates that it is imperative to commence the process of reform immediately. The return of native land is central to any real progress on the wide range of problems that face First Nations today. Meaningful self–government and true economic self–sufficiency are dependent upon an adequate land base. It is time for a fair and equitable process.

● (1850)

The commissioners recognized the need for immediate reform of the process. Now it is time for Parliament to do the same.

The frustration felt by aboriginal people throughout Canada has existed for a long time. I am reminded of the comments of former Assembly of First Nations Grand Chief Georges Erasmus, who was quoted in the introduction to a book on the subject, *Drum Beat*, published in 1989. Erasmus notes that for generations in Canada governments have treated aboriginal people as a disappearing race and that they have administered aboriginal policy accordingly:

> Yet we have not disappeared; we have survived, as we have done since long before the appearance of the Europeans, against no matter what odds. Unfortunately, to the present day, governments have been unconscionably slow in coming to terms with the fact that we will always be here, and that our claims for justice, land, resources, and control over our own affairs will never go away, and they must be fairly and honourably dealt with.

There is now a widely accepted view that the current land claims process is not working well and that the pace and conditions for the resolution of land claims conflicts are inadequate.

As Mary Ellen Turpel tells us in her work for the claims commission, claims resolutions in the past 20 years have seen a massive increase in litigation over claims even though almost everyone involved in the claims recognizes litigation is not the best method for addressing land disputes.

The rise in court challenges is a byproduct of a failed dispute resolution process in the claims area and has served to reinforce an adversarial approach on the part of the crown and the First Nations in dealing with these disputes.

It appears, Turpel says, the First Nations and the federal government are headed toward further confrontation and hostility. The only remedy is a reworking of federal claims policies and the establishment of an appropriate and effective process for the resolution of disputes between First Nations and government over lands and resources.

Turpel is writing in the claims commission's proceedings report, special issue No. 2, dealing with land claims, issued in 1994.

In that same report, the commission co–chairs, Dan Bellegarde and James Prentice, say very clearly:

> Much discussion concerning the reform of the specific claims policy has taken place over recent years; little of fundamental importance has been accomplished. There is an urgent need for reform of the specific claims process to provide a fair and accountable land claims process for First Nations and indeed for all Canadians.
>
> If we are to avoid further violence and bloodshed over unsettled land claims in Canada we must act now before the next confrontation.

That was written in September 1994 before the loss of life occurred at Ipperwash. Obviously action toward a resolution must begin, as the commissioners and others have been arguing, immediately.

It should be noted that the Indian Claims Commission was created in 1991 partly in response to the need for a fair land claims process, but it was acknowledged by everyone that the creation of the commission was an interim step only. The time has come, as it acknowledges, to go beyond the interim measure.

The commission is what has been referred to as a soft adjudicative tribunal in that the recommendations of the commission are not binding on the parties but rather are only advisory in nature. This means that at the completion of an inquiry the parties are not bound by the recommendations of the commission. In the end the federal government still must respond to the findings of the inquiry and the recommendations of the commission, and has only recently begun to do so.

In the case of a band within my constituency boundaries, the Canoe Lake Band, the response to its inquiry took the government more than 18 months to produce. The motion in front of us today suggests the government should take action on the recommendation of the claims commission's most recent report.

Before we run out of time in the debate today I will outline these recommendations. Recommendation No. 1 is the important one. It says that Canada and the First Nations should develop and implement a new claims policy and process that does not involve the present circumstances wherein Canada judges claims against itself.

• (1855)

The commission states that the present system involves a fundamental flaw: Canada must judge claims against itself. This is a manifest conflict of interest especially when Canada stands in a fiduciary relationship toward the claimant First Nation.

It is imperative, the commission states, that an independent claims body be established to perform at least the initial assessment of the validity of First Nations land claims against Canada. Mary Ellen Turpel notes in her work: "A full appreciation of the federal government's fiduciary obligations, which represent a considerable and serious duty to act in the interests of the First Nations, has been the glaring omission in the claims process".

In the absence of a new policy, the claims commission brought forward five other recommendations which must be implemented in order to make the existing but temporary process more fair. The commission's second recommendation is to put fairness into the current policy.

The 1994–95 report says:

> When First Nations submit specific claims to Canada they are encouraged to include for consideration the legal opinion of their lawyer along with their historical research. However, when Canada communicates its decision to accept or reject the claim, it relies on solicitor–client privilege and refuses to disclose its legal opinion from the Department of Justice.

The claims commission states that Canada has an obligation to provide that legal opinion.

> To do less fails to meet the requirements of the fiduciary relationship, a relationship that has been found to exist by the Supreme Court of Canada in cases such as Sparrow. The substance of Canada's legal opinion must be exposed to full public scrutiny if justice is to be done and seen to be done.

The Canoe Lake report was not responded to until 18 months had passed. The commission notes in its third recommendation that situations like this are unacceptable. In calling for a response protocol, it says this type of response is fair to neither the claimant First Nation nor to the people of Canada.

Recommendation No. 4 deals with mediation and suggests that government council engaged on matters before the commission should be given the same broad mandate to consider, recommend and negotiate settlement it would have if acting for the government in litigation over the same claim.

The commission notes that from its inception the commission has vigorously sought to advance mediation as an alternative to the court and inquiries, both of which tend to be adversarial in nature.

Unfortunately, it states, one of the greatest obstacles in the settlement of specific claims is that the Department of Justice typically regards its own legal opinions as being determinant on the questions of whether an outstanding lawful obligation exists on the part of the government.

If the lawyer concludes that no such obligation exists, the government assumes there is no place for mediation. Since mediation is essentially consensual and both parties must request it, an opinion unfavourable to the claim ends the prospect for mediation before it can even begin.

The commission is aware that some claims might qualify for reconsideration based on factors outside the legal opinion, but there is no authority for counsel representing Indian affairs to do so without access to mediation measures as suggested by the commission.

The fifth recommendation deals with the need to identify and review all claims that were rejected based on the ban of pre–Confederation claims that was lifted in 1991. The commission wants the government to take the lead and begin the reviews and not leave the onus on the First Nations to ask for a review of the claims that were rejected prior to the alteration of the specific claims policy in 1991.

Most important, the sixth recommendation of the commission is that Canada stop insisting on the express extinguishment of aboriginal rights and title as part of the settlement of specific claims. The commission says this is grossly unfair since the claims policy is not meant to deal with aboriginal title and/or rights, and Canada ought not to insist on their extinguishment as part of the settlement of a specific claim.

• (1900)

This measure has been supported in the recent fact finding report written by Mr. Justice Hamilton, entitled "A New Partnership", in which he said:

> Aboriginal people seek the recognition, not the surrender of their aboriginal rights. They are prepared to have the extent of their future rights to land and resources spelled out in a treaty. They are prepared to recognize the rights of others.

The Liberals have also agreed with this, at least the Liberal Party, ahead of the government. The red book states that "in order to be consistent with the Canadian Constitution, which now recognizes and affirms aboriginal and treaty rights, a Liberal government will not require blanket extinguishment for claims based on aboriginal title".

Prior to the general election in 1993, the leader of the Liberal Party, now the Prime Minister of Canada, said in Saskatoon: "A Liberal government, in consultation with aboriginal peoples, would undertake a major overhaul of the federal claims policy on a national basis".

In the red book, that now famous catalogue of Liberal promises, the Liberals acknowledged that if aboriginal communities are to become self–sufficient they must have an adequate land and resource base upon which to grow. That is why a Liberal government is committed to overhauling the land claims policy in ways that will make the process "more fair, more efficient and less costly".

Two years after the election, it appears that we have to push the Liberals into meeting their own promises—not just the claims commission, not just aboriginal people from coast to coast, but the House of Commons as well. If the Liberals have failed to deliver on this promise and if we must push, then push we will, because this is one promise that is worth fulfilling.

I want the House to know that prior to putting this motion on the Order Paper and having it called for debate today I took the issue to my own party at its national convention in October of this year. I am pleased to say that support for a new claims commission had the unanimous support of delegates attending the national convention of New Democrats. They, like me, consider the issue to be of critical importance to our nation.

The Grand Chief of the Assembly of First Nations, Ovide Mercredi, played a crucial and important role during the land occupations this past summer. The grand chiefs and the chiefs of the AFN have been doing a fantastic job in preparing for a new land claims policy and process. I ask the minister of Indian affairs to ensure that the AFN is central to any decisions that are made in this regard.

I conclude my remarks today by again referring to the work of Mary Ellen Turpel, who says that consensus for an independent claims commission is evident but that concentrated effort and good will are needed to take the proposal for such a commission from the stage of political consensus to one of policy implementation in a legislative framework. It cannot be done unilaterally by government. Implementing these proposals will require a process whereby First Nations leaders and federal ministers come together over a short period of time to decide on an implementation strategy to draft the protocol and develop legislation and resolutions.

Because of lack of time I did not talk about the expiration of the mandate of the joint working group and the good work the joint working group completed. However, I must say that this is the type of process that needs to be reactivated with a broader mandate.

I will quote Mary Ellen Turpel one last time:

> The agenda for land claims reforms is stalled at present. This is a tragic situation, given that so many options are available for immediate progress and all parties in the political process have identified a common set of problems and made a commitment to reform. If we continue to delay the process of land claims reform, we face further hostility as the prospects for an enduring peaceful relationship between First Nations and the crown grow dimmer.

Today, at the beginning of the debate on this votable motion, I thanked the chiefs for their patience and their unending commitment to their people. I thank the Indian Claims Commission for its excellent work in moving this critical issue forward. I urge all members of the House to support the motion so that the minister of Indian affairs and the government know that it has the support for change, which must be made sooner rather than later. I ask that I be given the opportunity to close this debate when that time comes.

• (1905)

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

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

[*English*]

Mr. Speaker, it is a pleasure for me to respond to the motion by the hon. member for The Battlefords—Meadow Lake and to debate the claims policy and the establishment of a claims commission.

The government has been looking for ways to promote a commission that would be fair and would be seen to be fair to all aboriginal and non–aboriginal Canadians who are affected by the settlement of land claims.

The hon. member for The Battlefords—Meadow Lake has been a strong advocate in the House of policies aimed at resolving the outstanding issues relating to the claims process. We have listened to his advice and are looking forward to hearing what the Reform Party has to add.

As for the Liberal government, our approach to the claims process was spelled out in our 1993 election platform. In the red book we placed aboriginal issues at the centre of the public policy agenda. We devoted one of the eight chapters in *Creating Opportunity* exclusively to aboriginal issues and raised the awareness of the impact of other policies on aboriginal Canadians throughout the document.

We promised the role of our government would be to provide aboriginal people with the necessary tools to become self–sufficient and self–governing. We also said that our priority would be to help aboriginal communities in their efforts to address the obstacles to their development and help them marshal the human and physical resources necessary to build and sustain vibrant communities.

We promised our government would build new partnerships with aboriginal peoples based on trust and mutual respect. A fair and effective land claims process is essential for those objectives. The resolution of the claims must be a priority for all Canadians.

Both aboriginal and non–aboriginal Canadians require certainty with respect to land rights so that we can get on with the building of the economy, creating jobs and growth, and making our communities better places for our children.

In the red book we acknowledged that the current process for resolving land claims could be improved. We said a Liberal government would implement major changes to the current approach, and we have been working toward that goal.

We have been working alongside the Assembly of First Nations to find a better way to proceed with the resolution of claims. The Minister of Indian Affairs and Northern Development has received several suggestions. Among them is a proposal for an independent Indian land claims commission, as recommended in the annual report of the Indian Claims Commission and as advocated by the hon. member for The Battlefords—Meadow Lake.

We on this side of the House have no objection to such an independent commission. In fact, in the red book we stated that "A Liberal government would be prepared to create, in co–operation with aboriginal peoples, an independent claims commission to speed up and facilitate the resolution of all claims". This shows that we do not oppose the principles outlined in the hon. member's motion.

However, I would like to point out to the House a key phrase of the commitment from the Liberal policy platform. It is that we would create the independent claims commission in co–operation with the aboriginal peoples. Building a consensus among the aboriginal peoples will require time and we cannot act unilaterally. We cannot impose a solution that will be supported by some but not by others.

One of the major issues at stake is whether a new independent claims commission will be a court–like system with binding judgments or a mediation system with functions similar to those the Indian Claims Commission now performs.

Another issue is whether we can find a better way to bring matters to the attention of the commission. As hon. members are aware, under the current system a claim must be rejected by the Indian affairs department before the matter is brought before the commission. The minister has invited the Assembly of First Nations to provide substantive comments on concrete proposals for change. In co–operation with the First Nations, we are examining how the claim policies can be overhauled within the climate of financial restraint that affects us all.

The Assembly of First Nations has embarked on a project that will involve developing terms of reference for a joint Canada and First Nations review of the Indian Claims Commission. We will have to reach a consensus on these and other issues before we can reform the current system. We need directions from the First Nations on what kind of system they want.

• (1910)

In the meantime, the government has taken the steps required to make sure the system now in place works as efficiently as possible. When we look at what has been accomplished in the past few years, it becomes quite clear that the current system can be used more effectively than it had been before the red book commitments regarding claims process reforms were made.

Consider these figures: After 1990–91 the total cumulative settlements for specific claims numbered only 43. By 1994–95 we have more than tripled that figure to 142. Since taking office this government has settled 45 specific claims. In 1994–95 we settled 18 different specific claims, for a total of nearly $79 million. That is money that will go into aboriginal communities. It will create jobs for aboriginal as well as non–aboriginal people. It will improve living conditions and it will make

aboriginal people partners in the development of a strong and dynamic Canadian society.

Today we are involved in negotiations on another 90 specific claims or are in the process of reviewing another 240 claims submitted by the First Nations. We expect that by the end of the 1995–96 fiscal year we will have settled another 20 to 30 specific claims and we will also continue to receive further claims, which will have to work through the current system until a better system is devised in co–operation with First Nations.

I am certain the hon. member for The Battlefords—Meadow Lake appreciates these points. He wants what is fair for aboriginal people in Canada, as does this government.

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

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak in support of the motion standing in the name of the hon. member for The Battlefords—Meadow Lake.

The motion reads as follows: That, in the opinion of this House, the government should consider the advisability of establishing a new, independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

Anyone who has followed the issue of aboriginal land claims in Canada for a number of years will realize it is a matter of astonishing complexity. The First Nations were here in Canada before European immigrants came to settle the land, as we used to say. The aboriginal peoples occupied certain lands. In the past 10, 15, 20 or 30 years they have started to realize certain rights to those lands still existed, and various First Nations have started filing land claims.

It stands to reason that people living in often difficult social and economic circumstances should want to establish a land base where they can develop their potential, improve their situation and maintain their identity as a nation, as a people.

It is therefore entirely normal that the various First Nations should file these claims. Now it so happens that certain things have been accomplished, and the Parliamentary Secretary to the Minister of Indian Affairs told us a few moments ago that certain claims had been settled with First Nations. Claims are now being negotiated, and it is expected that a number of claims will be settled within the next few years.

However, it is a fact that the existing mechanism is not perfect. The process is very slow. Some very relevant questions are being asked about the impartiality of the system, because under the present system, various aboriginal peoples and communities file a claim, which is then examined by the appropriate federal authorities.

• (1915)

The federal government is almost in the situation of being a judge while, at the same time, having fiduciary responsibilities toward various native peoples. I think the government is, in a way, in a conflict of interest situation, where often, because of political imperatives, it cannot easily ensure quick resolution of claims, in my opinion.

Clearly, at this point, the process becomes blocked, despite the best intentions of the government, and I do not doubt them. But I imagine that if, as proposed by the member for The Battlefords—Meadow Lake, we could set up an independent native territorial claims commission, we could clarify the whole process. We could clarify it for all Canadians, and we could clarify it for the various first nations.

I think it is important to clarify the process not only for the native populations, but for the people of Canada. Since becoming more closely involved with native issues, because I sit on the House Standing Committee on Aboriginal Affairs and Northern Development, I have been talking with my constituents in my riding and in my region. I realize that most people are sympathetic to the claims of native peoples, but are often critical because they consider the claims at times exaggerated and not in keeping with what they consider reality.

We often see maps in the paper, of either Quebec or Canada, depicting native territorial claims. If we superimpose a map of the land claims made by the various First Nations in Quebec on a map of the province, we can see that their claims cover almost all of Quebec.

I think that this is likely to cause many people to fear and be concerned about legitimate native demands, and even to reject them. People feel that their claims are out of all proportion to the populations involved.

The various native communities in Quebec may number 50,000, 60,000 or 65,000 people, depending on how you count them. People are asking how 60,000, 65,000 or even 80,000 natives can claim the Quebec territory and, in a way, challenge the rights of six or seven million Quebecers now living on this territory.

This is the kind of situation that could easily lead to prejudice developing. Just look at what is reported in the press and listen to open line programs. Aboriginal land claims are often opposed on the grounds that they are viewed as undue and unfounded.

I think that this situation ought to be resolved as quickly as possible. At the rate settlements are reached these days, according to the hon. Parliamentary Secretary to the Minister of Indian Affairs and Northern Development himself, I think that this issue is not about to disappear; it will remain hot and red for quite some time. If we take too long to resolve the situation, there is risk of a rejection reaction on the part of non–natives in Canada. In addition, decisions might be made at the political

level that do not fairly reflect the legitimate demands of aboriginal people.

It is important that the federal cabinet and the Liberal government fulfil the promises made in the red book in 1993, when they stated clearly that "the current process of resolving comprehensive and specific claims is simply not working. A Liberal government will implement major changes to the current approach. A Liberal government will be prepared to create, in co–operation with aboriginal peoples, an independent claims commission to speed up and facilitate the resolution of all claims". This is precisely what the hon. member for The Battlefords—Meadow Lake and the Indians Claims Commission are asking for.

• (1920)

The federal government should act as quickly as possible for the good of all Canadians and for the good of the aboriginal nations that live on Canadian territory and have valid claims to parts of that territory.

Everyone agrees. Earlier, the parliamentary secretary to the Minister of Indian Affairs and Northern Development said: "We will probably do it in the future. We do not know yet what will be the nature of the commission. However, I think we have been talking for two years under the present government, and previous governments have also dealt with these questions.

Therefore, in the interest of Quebecers, Canadians and all the different aboriginal nations, I think it is important that the government examines as quickly as possible the possibility and the urgency of creating a commission like that one so that at long last Canada and Quebec can solve the problem of aboriginal claims because it is vital for the native people. It is vital for them to keep their identity, which is to important. It is crucial to preserve the identity of a people. To preserve that identity, the territorial claims must be settled to that these people can have the necessary basis for their economic, cultural and social development.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I thank the hon. member for The Battlefords—Meadow Lake in my home province for bringing this motion forward.

It is always a pleasure to speak to issues involving Indian people. I spent two years on an Indian reserve at Wollaston Lake in northern Saskatchewan, so I have a pretty clear idea of what barriers exist for the aboriginal people living in and around these communities. My constituency of Yorkton—Melville has five Indian reserves which I represent in the House. Therefore I have more than just a passing interest in the subject of Indian land claims.

The motion we are debating asks the government to "consider the advisability of establishing a new, independent aboriginal land claims commission as recommended in the 1994–95 annual report of the Indian Claims Commission". I read the annual report referred to in the motion and the commission's recommendation No. 1 states: "Canada and the First Nations should develop and implement a new claims policy and process that does not involve the present circumstances wherein Canada judges claims against itself".

The last time I spoke in the House on Indian land claims was during the debate on Bill C–33 regarding the Yukon land claims in June 1994.

The Reform Party is way ahead of the government in the area of aboriginal affairs policy. I would like to bring everyone up to date on the progress we have made.

In June 1994 I was one of several Reform MPs who had the privilege of participating in the Reform Party's aboriginal affairs task force. We met with many native people and even made a trip to Norway House in northern Manitoba. Mainly the concerns were about self–government, mismanagement of band funds, patronage and nepotism, and land claims.

In October of this year the leader of the Reform Party and Reform's aboriginal affairs critics released the party's aboriginal affairs task force report. The report was prepared following many public meetings held all across the country, but mainly in western Canada. Our task force met with native and non–native people. We were disappointed that for the most part Indian leaders boycotted the Reform Party's meetings.

Now, after the release of our 14–point plan, the aboriginal leaders are complaining that we did not consult them. Every band in western Canada was invited to the meetings and the vast majority of Indian leaders refused our invitation.

I am sorry that I do not have time to outline the Reform Party's complete 14–point plan in the House today, but here is what our task force report said about land claims:

• (1925)

Point number one: Indian treaties will be fully honoured according to their original intent and in keeping with court interpretation.

Point number four: Land claim agreements and self–government agreements will be negotiated under the principle of equality for and among all persons. Settlement of land claims will be negotiated publicly. All settlements will outline specific terms, be final and conclude within a specific time frame. Final settlements will be affordable to Canada and the provinces.

Point number five: Individuals residing on settlement lands will have the freedom to opt for private ownership of their entitlements.

Point number six: Property owners forced to defend their property rights as a result of the aboriginal land claims will be compensated for the defence of the claim.

A few weeks ago I was on a CBC Saskatchewan radio phone–in show discussing and debating the merits of our proposed aboriginal affairs policy. After I got home, I got a call from a woman, a native elder from a nearby community. She was positively excited about our ideas. She said that she wanted to start getting a petition signed supporting our new approach.

Here is how her petition reads: "We, the undersigned citizens of Canada, who also happen to be of Indian ancestry, draw attention of the House to the following: That we oppose in principle the government's approach to self–government and land claim settlements which would entrench forever a top down, paternalistic, race based system of government for Indian people run by bureaucrats, band leaders and tribal council leaders for the primary benefit of the bureaucrats, band leaders and tribal council leaders, not necessarily the individual members of the band; furthermore that we support in principle the Reform approach for self–government and land claim settlements which would give each individual Indian person real choices about how we want our money to be paid to us, how we want our benefits, entitlements and services to be delivered to us and whether we want our land to be owned and managed by the band or owned and managed by ourselves privately. Therefore your Indian petitioners request that Parliament move and support legislation which will protect the treaty rights, equality rights, democratic rights and property rights of each individual Indian band member, thereby giving us the right to opt for private ownership of a share of any land entitlements and the right to opt to receive our money and benefits directly from the government or through the Indian self–government".

Is it not very interesting that this comes from the native people themselves? This petition is being circulated by an Indian elder among aboriginal people in my constituency. It is clear we cannot continue the way we have been.

It is clear from everything I have seen during the two years I lived and worked on an Indian reserve in northern Saskatchewan that more money is not the solution. In fact more handouts simply perpetuate the problem. Whenever handouts, compensation or any benefits are given to anyone in society without that person being held accountable and responsible, it will eventually harm the one receiving it. That harm will spread like a cancer to the rest of society.

It does not matter whether the person or group receiving the handout is native or non–native, welfare has failed wherever it has been tried. Now native communities and native people are feeling the full effects of receiving handouts with no accountability, handouts given with no clear stated objectives and handouts given with no means by which to measure progress. The Reform Party's recommendations are made with the sincere intent to correct the colossal mistakes of years past.

Now we come to the motion we are debating this evening. Our task force was silent on the process by which land claims would be settled. It follows that we need to establish some kind of an independent commission to accomplish this goal. After reading the annual report of the current Indian Claims Commission it is clear that the current system is not very effective. There seems to be a lot of overlap and duplication which creates much bureaucracy and a colossal waste of money with little being accomplished.

• (1930)

The other aspect we must consider is the overall direction the Liberal government is headed in using the current settlement process which ultimately confers special status, special entitlements and creates separate enclaves based solely on race. It is not a policy and process based on equality. This is a policy of apartheid.

Before an independent aboriginal land claims commission could be effective, the negotiating principles have to change. We would argue that the principles espoused by the Reform Party's aboriginal affairs task force are a good place to start. As long as the negotiating principles can be changed so our starting point is accepted by all Canadians, then I would have to agree with the Indian claims commission recommendation.

It does not make much sense for the department of Indian affairs to be negotiating agreements and then also to be the final arbiter for the Government of Canada. I have to agree there is an obvious conflict of interest. Therefore, it is obvious we need some kind of independent process.

What choices do we have for an independent land claims process? We have an independent aboriginal land claims commission which I suppose would replace the current Indian Claims Commission as proposed in the motion we are debating today. We have a treaty ombudsman as recommended by Mel Smith, Q.C., a constitutional expert, in his recent book, *Our Home or Native Land?*, or we have the court system.

Until we have reconstructed our fundamental negotiating principles for dealing with land claims and until these fundamental negotiating principles have the support of the majority of people in Canada, I do not think it is possible to say which option is the preferred one.

This having been said, I would like to give my qualified support to the motion put forward today by my hon. friend from The Battlefords—Meadow Lake. After all his motion just states that this House "consider the advisability of". If this House considers the advisability of replacing the current land claims commission with an independent body, just maybe we will be

able to have a full public debate about the terms of reference of this new independent aboriginal land claims commission.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the motion is:

> That, in the opinion of this House, the government should consider the advisability of establishing a new, independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

I appreciate the way the hon. member for The Battlefords—Meadow Lake has phrased this motion. We are considering the advisability.

The hon. member knows this is a complex issue. He knows we cannot act precipitously. He knows there are many different perspectives and that First Nations themselves have some reservations about how an independent claims commission would affect the claims process.

The Minister of Indian Affairs and Northern Development has been discussing these issues with the First Nations. We hope a consensus will be reached but in the meantime the debate over the hon. member's motion will help this House focus on some of the issues involved.

I would like to remind the House of the process now in place. It is a process that has been used successfully in the past although there is certainly room for improvement. At present, there are six steps to processing a specific claim.

In the first step the First Nation submits a claim along with supporting documents to the specific claims branch of the Department of Indian Affairs and Northern Development. The branch then determines whether the claim meets the submission criteria of the policy.

Second, the submitted research contained in the supporting documents is analyzed and verified for completeness. The department works with the First Nation to prepare a historical report and analysis. Both parties must agree on the report. This is what is known as the research step, and it can take a long time to complete.

• (1935)

The third step is acceptance or non–acceptance of the claim. The specific claims branch of the Department of Indian Affairs and Northern Development obtains legal opinions on the claim and a decision is made to accept or not accept the claim for negotiation. If the claim is accepted, we move on to the fourth step: negotiation. The specific claims branch negotiates with the claimant First Nation on the value of the losses and prepares an authority to settle.

In the fifth step, the specific claims branch and the claimant First Nation agree on compensation and provision for settlement if agreement in principle is struck. The agreement is drafted by the Department of Justice and First Nation lawyers into a formal settlement agreement. Finally, the settlement agreement is ratified and implemented.

This is a long and painstaking process. There is a fast track procedure for claims less than $500,000 in which some of the six steps are shortened.

Where does the Indian Specific Claims Commission come into play? If in the course of these steps Canada turns down the claim, the First Nation has a number of options: it can withdraw its claim; it can move to litigation; it can present new documentation and legal arguments; or the First Nation can request a review of the department's decision by the Indian Specific Claims Commission. The commission has been established to resolve such disputes and it can subpoena records and witnesses. It can help the government and claimant First Nations arrange mediation.

The commission's 1994–95 annual report indicates an involvement in mediation of five claims. The commission also pointed out in this report that it had received 98 requests, 42 of which were in progress. The commission reported eight completed inquiries.

Let me tell members about one case where the ISCC was instrumental. In the Chippewas of the Thames inquiry, the Muncey land claim, the First Nation had rejected settlement twice before the commission became involved. The original point of contention about the surrender of land was resolved early in the ISCC process and a fresh settlement agreement was negotiated and ratified on January 28, 1995.

Let me briefly explain how the commission works. If the department has not accepted a claim, the commission can make recommendations on whether the First Nation has established that Canada has an outstanding lawful obligation. If the department has accepted the claim, but the First Nation disagrees with the compensation criteria, the commission can recommend which compensation criteria should apply to the negotiation and settlement of the specific claim.

There are five steps the Indian Specific Claims Commission goes through. First, it receives a First Nation's request for a review of the department's decision. Second, it decides whether or not to review the decision. Third, the ISCC gathers all relevant information from the First Nation and Canada in relation to the specific claim, including the opinions of experts. The ISCC will also go into the claimant community and record the testimony or information of the members of the First Nation. Fourth, representatives from both the First Nation and the government argue their case by setting out their interpretation of facts, legal views and conclusions. Finally, the commission makes its recommendations based on the existing specific claims policy.

The commission does have some limitations. It cannot consider a claim based on unextinguished aboriginal title. These matters would be the subject of a comprehensive claim under a separate policy.

What is the value of the commission? First, it provides an opportunity for a body other than a court to review Canada's decision. Second, the commission has been successful in bringing both sides together with an impartial, neutral third party as a mediator. The mediator has no decision making power but he or she does have the power to direct and interpret the exchange of information. This influences perceptions, preferences and demands of both parties and it often implies possible lines of agreement.

This is the system that now exists. The system has its challenges. First Nations have expressed a concern that the commission is named by the government and therefore, in spite of the best intentions, cannot shake off the appearance of bias. The process is cumbersome. The commission intervenes only after a First Nation has been turned down by the department.

We will explore many options in the course of debating the motion from the hon. member. However, what we must bear in mind is that no changes should be made without the concurrence of the First Nations.

The minister has been consulting with the First Nations and I am very confident that a consensus will be reached. In the meantime, this exploration of the issues arising from this motion is most welcome.

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 7.44, the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24.

(The House adjourned at 7.44 p.m.)

HOUSE OF COMMONS

Wednesday, November 29, 1995

The House met at 2 p.m.

Prayers

The Speaker: We are going to sing "O Canada" and I invite everyone who is in the Chamber to join with us. We will be led by the hon. member for Kingston and the Islands.

[*Editor's Note: Whereupon members sang the national anthem.*]

STATEMENTS BY MEMBERS

[*English*]

CANADIAN EXECUTIVE SERVICES ORGANIZATION

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I would like to take this opportunity to relate the outstanding international volunteer efforts of my constituent, Mr. Bruce Decker of Grand Bend, Ontario.

Mr. Decker and his wife Jean recently returned to Canada from Romania where Mr. Decker had applied his expertise to a locomotive manufacturer in restructuring its marketing department. Mr. Decker offered his services under the auspices of the Canadian Executive Services Organization, a non-profit volunteer organization which among other valuable services has been providing advice to emerging market economies in central and eastern Europe since 1967.

CESO is supported by the Government of Canada principally through CIDA. In addition to government support, CESO is also supported by hundreds of Canadian corporations and 4,000 volunteers. It is this kind of commitment and dedication by thousands of other Canadians that has contributed to the high esteem Canada has earned throughout the world.

* * *

IMMIGRATION

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, if you are fleeing from the law in any country in the world, go to Canada. The taxpayers will look after you.

Take for instance Melissa Harris from Florida. She is a suspect in a double slaying who has fled across the border to Winnipeg. At the taxpayers' cost she is applying for refugee status, from Florida no less.

This Liberal government is a disgrace led by a minister of immigration who will no doubt call this yet another isolated incident. Or if I back him in the corner again he will simply say that as the minister he has no jurisdiction over refugee boards.

Perhaps Canadians should take another look at the policies of this government which allow Americans to claim refugee status if they are criminals, like Charles Ng. What is more important to Canadians, their safety or Liberals looking for more votes?

* * *

THE CONSTITUTION

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, the Prime Minister has put forth hastily concocted post referendum proposals that seem, rather than working to bring about a consensus on national unity, to be creating even greater disunity.

The amending formula which proposes four regions does not take into account the strong views of many westerners that the prairie provinces are quite different from British Columbia, the third largest province in Canada. Past constitutional reports acknowledge the importance of this by considering British Columbia as a region for the purpose of constitutional amendments.

A second major question which this proposal raises concerns the implications for the creation of new provinces. At present the Yukon territory, Western Arctic and the newly created Nunavut are not demanding provincehood. However, it is imperative that constitutional measures not be put in place which would prevent the creation of new provinces at some time in the future.

I call on the Prime Minister to clarify what the implications are of this amending formula for the creation of new provinces in his proposed act.

* * *

LAMBTON COLLEGE

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, Lambton College, which is located in my riding of Sarnia—Lambton, recently signed a formal partnership agreement with the Polytechnical University of Nicaragua. The agreement provides for faculty and student exchange programs, professional development and management linkages, sharing of educational

development, linkages with the private sector, and joint international ventures between our two countries.

Lambton College will work closely with its partners in Nicaragua on health care, sustainable development and entrepreneurship. The agreement represents a major accomplishment for the college's international program, an important social and economic contribution to the development of Nicaragua.

I ask the Canadian International Development Agency to join with the private sector sponsors in funding this important project.

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TOBACCO PRODUCTS

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, as the member of Parliament for London—Middlesex, I wish to add my voice today to those countless numbers of Canadians who are calling on the federal government to take more stringent action against tobacco products. Such actions could take several forms, including declaring tobacco to be what it is: a hazardous substance.

It is my belief and that of many of my constituents that the use of tobacco represents the most serious avoidable threat to the health of Canadians today. In fact, this is much more than a belief; it is a proven fact which should cause governments at all levels to take whatever positive steps they can to address this enormous health threat.

I call on this government to enact legislation that will designate tobacco products as hazardous and strictly regulate its manufacture, marketing and distribution.

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INSURANCE BROKERS

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, during the past several months I have received numerous representations from insurance brokers in Simcoe North. These small business people have valid concerns about the possibility of chartered banks being permitted to aggressively enter the insurance business.

On the surface this may appear to be just two industries in competition over a business segment, but it is much more than that. It is about the survival of many hundreds of small insurance brokerage firms located in towns and cities throughout Canada. It is also about the consumers of insurance services who will receive less personalized, untailored insurance coverage from inexpert bank representatives pushing inflexible, preset insurance plans.

This government is very concerned with creating conditions in which small and medium enterprises can grow and prosper. I hope this positive attitude will prevail when it comes to the hundreds of insurance brokers across Canada.

* * *

[*Translation*]

PRIME MINISTER'S PROPOSALS

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, as we all read in the newspapers this morning, the Prime Minister's proposals have been almost unanimously rejected by our major dailies' editorial writers and other observers. Alain Dubuc from *La Presse*, Michel Auger from *Le Journal de Montréal*, and editorial writers from *Le Soleil*, the Ottawa *Citizen* and the Ottawa *Sun* were not fooled by the simplistic and superficial initiatives announced by the Prime Minister on Monday.

• (1405)

They see them as a hastily improvised reaction, to save face, by a government incapable of delivering on the constitutional promises it made during the Quebec referendum.

The Prime Minister's proposals have been rejected in English Canada for being overly generous to Quebec, and in Quebec for falling far short of its traditional minimum demands.

This is a repeat of the response to the Charlottetown agreement, which was rejected by all parties.

* * *

[*English*]

BRITISH COLUMBIA

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, when the government announces its efforts this afternoon to appease Quebec it will be showing its contempt for the people of British Columbia. By incorporating British Columbia into a veto region with the prairie provinces this government is demonstrating a profound ignorance of our people, geography and history.

A quick look at any atlas will show that British Columbia is a distinct geographical region. Contrary to what the Liberals believe, there is a difference between our Pacific coast and numerous mountain ranges and the wheat fields and gopher mounds of the prairies.

For too long the federal government has exploited British Columbia. We contribute more than our share to the federal coffers, but receive far less than we should when it comes to federal spending or representation in this House.

I agree with the leaders of all the B.C. provincial parties, including Liberal leader Gordon Campbell who denounced this proposal.

In its efforts to appease Quebec, this government—

The Speaker: The hon. member for Guelph—Wellington.

* * *

REFORM PARTY

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Canadians may be facing something never seen before: smiling Reformers.

A Reform strategy memo leaked after a so–called brainstorming session has suggested that Reform members should smile more in public. It took 50 staff members and two years of discussions to develop this new and drastic strategy. No doubt its writers had to overcome the following questions: Would anyone recognize a smiling Reformer? How would being happy affect their doom and gloom policies? Would Reformers welcome a happy person into their party?

We know that Reformers may have difficulty adjusting to this smiling theory. Fortunately for them, their leader is not bound to act on this recommendation, but unfortunately for us we will not find the answer to the most important question: Can Reformers smile?

* * *

[*Translation*]

BRITISH COLUMBIA FRENCH–CANADIAN FEDERATION

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, this year marks the 50th anniversary of the British Columbia French–Canadian Federation.

Last month, the federation held 50th anniversary celebrations; there was much to celebrate, including six community centres, two bilingual caisses populaires, three housing co–ops, French–language libraries, a weekly newspaper, an education service for francophones, education and training services for adults, immersion courses for students, a professional theatre company, a chamber of commerce, and French–language court services.

The 60,000 francophones living in Maillardville, Vancouver, Prince George, Kamloops, Kelowna, Powell River, Nanaimo and other communities throughout the province are proud of their heritage, their culture and their roots, which will always belong to them.

I would ask my colleagues to join me in wishing the British Columbia French–Canadian Federation a happy anniversary and in commending it for its 50 years of successful work and its commitment and dedication to the cause of the French–speaking community outside Quebec.

S. O. 31

REGIONAL ECONOMIC DEVELOPMENT

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, I would like to inform the House of an excellent initiative put forward by the Federal Office of Regional Development, in co–operation with the Business Development Bank of Canada.

Indeed, the setting up of a new fund called Idée–PME, with some $25 million in capital for commercial loans, is a remarkable example of the positive results that can be achieved when we put the expertise of two agencies to work in an innovative partnership. That partnership, and this is a word which our friends opposite are fond of, confirms the federal government's will to improve the performance of economic agencies in Quebec, whether public or private.

It also confirms that Liberal members are committed to fostering a business climate which will promote economic development and job creation, which are so important for Quebecers and their province within the Canadian federation.

* * *

MANPOWER TRAINING

Mr. André Caron (Jonquière, BQ): Mr. Speaker, the Prime Minister will never cease to amaze us. On the very day he proposed a symbolic motion to show that he intends to recognize Quebec's distinct society status, he completely denied that distinctiveness by making an empty offer to all provinces, without distinction, regarding manpower training.

• (1410)

Reaching new heights of improvisation, the Prime Minister even had the nerve to use vocational training to try to show his good will, even though his offer does not in any way meet Quebec's unanimous plea for the transfer of powers and resources in this area.

The first time he has an opportunity to show that he respects Quebec's distinct character, the Prime Minister chooses instead to treat our province like any other. Should we remind him that it is Quebec, not Saskatchewan or Nova Scotia, that has been asking for years that the responsibility for vocational training be transferred to the province?

* * *

[*English*]

NATIONAL UNITY

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the Prime Minister warns that this nation will fall apart if the federal government devolves some of its responsibilities. His favourite example is health care. If the health care system changes, he declares, Canada will cease to exist, as if Canada is nothing more than a collection of social programs. To Liberals, government spending is the glue that holds the country together.

The bonds of unity are stronger than any government program. We emerged united from two world wars, a conscription crisis and a decade long depression not by our programs but by our strength of character and the firmness of our resolve.

Canadian unity rests largely on shared values like justice, freedom, equality and the opportunity and challenge afforded by our great land. If we neglect these things, we will indeed lose our country.

The Liberals should listen up. Changes to bring about a smaller, less intrusive federal government are essential if we are to preserve the unity of the federation.

* * *

[*Translation*]

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, during the referendum campaign, the Prime Minister promised to recognize Quebec as a distinct society. Now, he is putting forward new initiatives to fulfil his promise.

[*English*]

Unfortunately, the third party is once again putting its own political agenda ahead of Canada's by not supporting this initiative that will help preserve Canadian unity.

The third party's political manoeuvring is as apparent today as it was in 1989 when, in an article which appeared in *Maclean's*, the leader of that party compared the constitutional evolution of our country to horse trading. He was willing then to trade off the distinct society clause for something else. Clearly this form of trade off bargaining serves to create greater differences among the regions and the provinces instead of creating a sense of Canadian unity.

When will the leader of the Reform Party and his colleagues start putting Canada first as opposed to their own political fortunes?

* * *

[*Translation*]

HUMAN RIGHTS

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, thousands of Quebecers who watched the television program *Enjeux* were horrified at the dramatic consequences of the Chinese birth rate policy. One million infant girls are rejected every year and left to die in crowded institutions, just because they were not born male. They die of neglect in government operated nurseries.

By refusing to raise the issue of human rights with his Chinese counterparts, on the pretext that this would hurt our trade relations, the Prime Minister is condoning this shameful practice. It is desperately urgent that this government face up to the human rights situation in China and condemn the violation of the most basic rights of Chinese infants.

* * *

LEADER OF THE BLOC QUEBECOIS

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, yesterday, the leader of the Bloc Quebecois reiterated once again that he is not interested in working to ensure that Quebec is recognized as a distinct society within the Canadian federation.

The leader of the Bloc suggested that he was more concerned with getting ready to be crowned leader of the PQ and appointed Premier of Quebec than with looking after the interests of all Quebecers.

[*English*]

By refusing to accept the federal government's proposal to recognize Quebec's distinct society, the leader of the Bloc has demonstrated that he is more concerned about preparing for his ascension to the PQ throne than responding to the demands of Quebecers.

[*Translation*]

The people of Quebec are finding out with dismay that the man they believed would champion their rights is actually prepared to sacrifice the recognition of distinct society for a separatist throne in Quebec. That is why the leader of the Bloc Quebecois has lost interest in distinct society.

* * *

[*English*]

DANGEROUS OFFENDERS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Phillipe Clement, Dean Cyr, Isaac Deas, Daniel Gingras, Clinton Suzack and Clinton Gayle. What do all of these names have in common? They are convicted felons who have either raped, killed or tortured innocent Canadians while under supervision.

These are not isolated cases. The list is much longer than those I have mentioned. For every name there is at least one victim whose life came to a violent, tragic end because their assailant was not fit to be walking the streets. Many of the families of these victims have pending lawsuits. They want to know why dangerous criminals are held in prisons without

fences. They want to know why ruthless killers are given birthday passes to go to shopping malls with unarmed guards. They want to know why the decision making process over parolees is made by political cronies who are incompetent and costing innocent Canadians their lives.

• (1415)

All these atrocities fall under the portfolio of the solicitor general. It is high time he took responsibility and realized that when it comes to the safety of Canadians there is no compromise. Canadians are tired of living in fear.

ORAL QUESTION PERIOD

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the *Globe and Mail* reported a split in the phoney committee chaired by the Minister of Intergovernmental Affairs. I am referring to the committee that is supposed to consider changes in the federal system, to follow through on the referendum promises made by the Prime Minister.

It seems that on one side we have five ministers, including three from Quebec, demanding thorough changes and on the other side, four ministers from Ontario who persist in their belief that Quebecers will be satisfied with symbolic gestures.

My question is directed to the Minister of Intergovernmental Affairs. Are we to assume it was the profound split between members of his committee that led the Prime Minister to announce his proposals on such short notice, even before the committee tabled its report?

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 Leader of the Opposition is impugning motive. We are working on various ways in which the Canadian federation could be improved.

Yes, we did discuss the issues of distinct society and veto rights, and the first results were there in the Prime Minister's announcement. We are now discussing other matters, including a more sensible division of powers between the provinces and Canada. We will submit our recommendations to the Prime Minister as soon as they are ready.

That ministers should differ in their opinions on various subjects is entirely normal in a party like ours that practices the democracy it preaches.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in view of the very deep split within the committee chaired by the minister, I want to ask him whether he would agree that the hollow initiatives announced by the Prime Minister show that he sided with the four ministers from Ontario who believe they can satisfy Quebecers' desire for change with this measly proposal.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, in our committee, we consider the interests of Canada, including those of Quebec. The ministers express their views on the basis of their knowledge, experience and judgment, which is entirely normal.

My conclusion with respect to distinct society and the veto is that we are clearly on the right track towards making substantial changes in the way the Canadian federation operates.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I heard "on the right track"; a look at the newspapers is enough to see it is the wrong track.

I want to ask the minister whether he would agree that the government's initiative is off to a very bad start and that the government is heading up another blind alley, since as we saw in the case of Charlottetown, any proposal to Quebec will be seen as too generous by English Canada and not enough by 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.): Mr. Speaker, our committee has approached the problems of unity from the perspective that we stayed together for 128 years and always managed to solve our problems, and also from the perspective that the French language was best able to thrive—and I saw this personally in the course of my career—while we were part of Canada.

The position on distinct society, which is gaining acceptance and which will be included in the resolution of the House of Commons, is also a recognition of aspects of distinct society, which developed in the Parliament of Canada and in the Canadian provinces. I repeat, it developed within Canada. The changes that are necessary can and should be made within Canada. In fact, that is the message sent to all Canadians, including the official opposition, by the vote on October 30.

• (1420)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, one would certainly think in listening to the Minister of Intergovernmental Affairs that he has become a Pollyanna, since he is the only one pleased at this time with the situation in which he has placed himself and his government.

In the rush of reactions to the Prime Minister's announcement of his initiatives, the premiers of British Columbia, Alberta,

even Manitoba have had some very harsh words to say about both the initiatives and the Prime Minister's attitude. All of the reactions triggered by the Prime Minister's proposals paint a picture of an increasingly divided Canada.

Is the Minister of Intergovernmental Affairs aware that the reactions to the Prime Minister's proposals clearly demonstrate that the proposals are in serious jeopardy, even now as we speak, and that his government is headed for a constitutional impasse?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): On the contrary, Mr. Speaker. In connection with the distinct society, you have seen a large number of Canadian premiers, including those from the west, Mr. Filmon in particular, expressing their agreement. The Prime Minister has indicated that we would start with a House of Commons resolution on these questions, since we can do no more from the constitutional point of view at present, but that it was our wish to enshrine it in the Constitution.

What is happening with the distinct society question will also happen with the veto. The Prime Minister had promised during the closing week of the campaign that he would take steps to reinstate the Quebec veto lost by René Lévesque. We are going to reinstate it; this is the way to resolve the problems that exist in Canada. We have a committee looking at the other problems of the federation at this time, and it will be coming out with some conclusions.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, will the Minister of Intergovernmental Affairs not agree that his proposals, his government's proposals, not only are dividing his own committee, the phoney committee, but also the cabinet and the caucus, as well as deeply dividing all of Canada?

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 would recommend that the official opposition come to grips with the fact that there was also divided opinion on the yes in Quebec, and that the yes side lost. When there is talk of divided opinions, the main place there is any division at this time is in Quebec, but it is also clear that the no side did win and that Quebecers—and this is a decision that you must accept because it is a democratic one—have clearly indicated that they want major changes, but within Canada.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, one of the most obvious lessons from the past is that unity proposals are divisive if their only goal is to appease one province or one group in Canadian society.

After the referendum vote, Canadians demanded fresh thinking on national unity and there was a widespread demand from all Canadians to reshape our federation.

The Prime Minister has responded to this demand, not by bringing a broad forward looking Canada package to the House but rather by bringing a narrow backward looking Quebec package.

My question is for the Minister of Intergovernmental Affairs. When will the government bring a national unity package to Parliament that addresses the legitimate concerns and aspirations of Canadians outside Quebec as well as inside Quebec?

[*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 think Canadians from all regions of the country have said they want to keep Canada united.

[*English*]

When Canadians from all parts of the country went to Montreal to express their views, they were representing views from all over Canada, from British Columbia to Alberta to Ontario to the maritimes. Canadians are united on that goal to keep Canada together. They want the federal government to find the ways to solve existing problems.

• (1425)

It is normal that many views would be offered, some of which are contradictory, on the means by which Canada can be kept together. However in the present instance there is no doubt that we have the support of Canadians for the measures the Prime Minister has introduced.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, during the referendum campaign the Prime Minister and the federal government showed that they were dangerously out of touch with the aspirations of Quebecers. Now with this half baked Quebec package, with nothing more than constitutional vetoes and distinct society, the government is showing that it is dangerously out of touch with the rest of the country.

There is nothing in these unity packages that addresses the concerns of the west, the north, Ontario or Atlantic Canada. In fact that absence of content merely alienates the millions of Canadians who are tired of this 30–year old federal two step to appease Quebec separatists.

When will the government change direction, abandon the status quo and develop a truly Canadian package for nation building, one that addresses the concerns and aspirations of Canadians outside Quebec as well as inside Quebec?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, first, I ask the hon. member to recognize and acknowledge that the steps announced this week by the Prime Minister represent only the first steps in a strategy

in the months to come that will make it clear that the government has a national vision for the future of the country.

Second, I invite the attention of the hon. member to the terms of the veto proposal the Prime Minister has put on the table reflecting the very approach taken by the Reform Party in its purported vision for the future. It requires regional consensus before any constitutional change could take place in the country. I would think the Reform Party as a regional party would support that approach and I expect it will.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, there is nothing in the government's remarks, no matter which minister addresses it, that indicates there is even an interest in the constitutional and systemic demands for change in other parts of the country.

For example, I have been in the House for two years and I have never yet—

Mr. Young: Nobody noticed.

Ms. Clancy: Recall.

Mr. Marchi: What are you, a cowboy?

The Speaker: The hon. member for Calgary Southwest is about to put his question.

Mr. Manning: Mr. Speaker, in that period we have never yet seen the government give any priority whatsoever to the concerns and aspirations of British Columbia, the third most populous province in the country. B.C. is not even represented on the unity committee. It is not recognized by the government as a region in its own right.

The government is prepared to recognize Quebec as a distinct society. When is the federal government prepared to recognize British Columbia as an important province of Canada?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the leader of the third party emphasizes impressions. He wants to leave the impression that the British Columbia perspective is not reflected in these proposals, but the reality is quite different.

The hon. member should know, if he does not, that the constitutional amending formula already in the Constitution Act, 1982, requires unanimous consent of the provinces to any change falling within section 41 of the Constitution, an important list of changes.

British Columbia has a veto over any such change. British Columbia, with the other provinces, has a veto over any proposed change in section 43 of the Constitution, involving the interests of British Columbia or any adjacent province.

• (1430)

British Columbia can opt out, like any other province, of any change approved under section 38. The veto we will introduce this week will make it possible for British Columbia and any other western province to veto any other proposed constitutional change.

In that context how can the leader of the third party possibly suggest the western and the British Columbia perspective is not reflected in the Constitution?

[*Translation*]

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

The Minister of Intergovernmental Affairs was totally serious yesterday when he announced that the phoney committee he chairs, which is divided, as the minister has indicated, will continue its deliberations despite the initiatives announced by the Prime Minister. It will even submit recommendations to the Prime Minister by Christmas.

Are we to understand that the phoney committee is continuing its work because it plans to offer Quebec more than the Prime Minister did barely two days ago?

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 official opposition is obviously obsessed with the word "phoney", which it must surely get from its own use of the word or from the example it provided with the regional commissions in Quebec, which were really phoney commissions.

The Bloc's questions are also becoming increasingly phoney, because the answer has been provided three times. The committee plans to submit its recommendations to the Prime Minister by Christmas. A few weeks are not going to bother us. However, in our report, we will clearly have to consider other options for solving the federation's current problems in connection with programs, activities, roles and jurisdictions.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, perhaps the word "phoney" bothers the minister because it reflects the truth.

Does the minister not believe, rather, that the initiatives announced by the Prime Minister sound the death knell for the work of his committee, thus confirming beyond a doubt that the committee is phoney and was set up simply to create the illusion that Ottawa was preparing to offer changes to Quebec? This is the fact of the matter.

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 had an example of phoney studies with the Le Hir reports, need I remind you. So, if the opposition and the Parti Quebecois need a refresher on good examples of bad studies, they have the very thing right in their own bailiwick.

As for our committee, we will continue to examine ways to resolve the federation's problems, because our goal is not to destroy Canada, but to build it. This is what the majority of Canadians and Quebecers have asked us to do, and, because we believe in democracy, we will continue to try to build Canada.

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the Prime Minister is proposing a package of change that reminds some of us of the Charlottetown accord, an accord which we emphatically rejected three years ago. He should not be surprised when British Columbia and Alberta, the two most populous and the two wealthiest provinces in the west, have rejected his offer.

How can the Prime Minister justify cobbling together a package which supposedly addresses the concerns of Quebec but which is seen as a slap in the face to Alberta and British Columbia?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the proposal which is reflected in the veto bill, to be tabled later today, comes very close to what was known as the Victoria formula of 1971, an approach favoured by the province of British Columbia.

Under the Constitution at present, in the absence of the legislation we will table today, it will be possible for constitutional change to take place under Section 38 of the Constitution Act, notwithstanding that it was opposed by British Columbia and two other western provinces, even if they comprised more than 50 per cent of the population of the west.

This bill will make it impossible for that to occur.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the justice minister talks about the 1971 reality. I would ask him to leap forward if he could to the 1995 reality.

• (1435)

He ignores the fact that Canada is changing and that in a generation British Columbia will have as many people in it as Quebec. He ignores the fact that the concerns of the west can no longer be ignored. If he does not know that, he should go out west and he would know that.

Why is the Prime Minister proposing veto provisions for central Canada when he must know that British Columbians will never approve of this package?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I do not think we should assume for a moment that the hon. member speaks for the people of British Columbia.

I thought it was the Reform Party which proposed that we should change the situation so that there is regional consensus required before constitutional change takes place, which is exactly what this bill does.

I ask the hon. member, since he derives from a riding in British Columbia, whether he has the agreement of his colleagues from Alberta for the proposition that B.C. should itself and alone have a veto on constitutional change.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs. Given the last minute commitment made by the Prime Minister a few days before the referendum with a view to swaying Quebecers, followed by the striking of a phoney committee with a foggy mandate, and by the hasty announcement on Monday of his proposals, it appears increasingly obvious that the Prime Minister is improvising on his own.

Given the general outcry in response to the Prime Minister's proposals across Canada, will the Minister of Intergovernmental Affairs admit that the Prime Minister, faced with a profoundly divided Liberal Party, is acting alone on this issue to save his skin?

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, on the contrary. Quebec has been demanding a distinct society clause for a long time, for years, for decades. It has been doing so to achieve a very important objective: to provide Quebecers with the security afforded by the recognition, by the federal government and the Constitution, of the distinctiveness of the language spoken by the majority of them, which is different from the language used in the rest of Canada, the uniqueness of their culture, and the particular traditions of their civil code.

The Prime Minister's motion finally gives Quebec what it has been demanding for years, that is recognition by Canada as a whole, since Parliament is the only place which represents all Canadians from every region. The Canadian Parliament has been asked by the Prime Minister to pass this resolution giving Quebec the recognition it has been demanding for years.

The fact that most premiers are now in agreement with respect to the distinct society shows once again that Canadians are now—

The Speaker: The hon. member for Laval East.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the Liberal Party was already profoundly divided on the Meech Lake and Charlottetown accords. Faced with the Prime Minister's phoney proposals, which are worse than those of Meech and Charlottetown in terms of Quebec's expectations, the Minister of Intergovernmental Affairs would like us to believe that everything is sweetness and light with the Liberal Party. Give us a break!

• (1440)

Given the fact that both the caucus and the phoney committee are profoundly divided, and that the proposals are being met with negative reactions throughout western Canada, Ontario, the maritimes, and Quebec, is the Minister of Intergovernmental Affairs aware that the Prime Minister—

[*English*]

The Speaker: The hon. member for Prince George—Bulkley Valley.

Some hon. members: Oh, oh.

[*Translation*]

The Speaker: Dear colleagues, once again, I would ask you once again to ask shorter questions.

If the Minister of Intergovernmental Affairs wants to answer the question, I will allow him to do so.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I can assure the member that the Prime Minister has the support of everyone in the caucus and in the party.

No doubt this hurts the Bloc members who would like to rewrite history. It hurts them to see that most Canadians across the country support the Prime Minister. But we know that Canadians are able to see beyond politics and to accept a fact, a reality; they are able to accept that we recognize Quebec as a distinct society.

What is most unfortunate is that only the Bloc members will refuse the proposal.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, my question is for the Prime Minister.

While the Minister of National Revenue from B.C. contends that recognizing Quebec as a distinct society will not amount to very much, conversely the Minister of Natural Resources from Alberta said that distinct society status in Quebec would amount to something very substantial. One wonders whether it is substantial or not.

I ask the Prime Minister to explain how he intends to promote national unity across Canada when he is having such a problem getting unity even within his own cabinet.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in the last few days the Prime Minister has shown a leadership that unfortunately will not be understood by the Reform Party because it does not understand either the word Canada or the word leadership.

I met a woman in a wheelchair during the Montreal march who had come from Peace River, Alberta. I met her in an elevator and she said to me: "Madam Copps, I do not speak French but I know you do and will you please tell Quebecers that I am here because I care for my country, and Quebec is a part of my country". That is why the vast majority of Canadians will support the Prime Minister and his leadership, unlike the cheap politics of the Reform Party.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, speaking of cheap politics, there is clear evidence that old style Tory–Liberal federalism and politics are alive and well as far as central Canada is concerned.

For instance, the unity minister says the west should sacrifice its own concerns for the good of the country.

• (1445)

I ask the Prime Minister if he would explain why western provinces should yet again sacrifice their concerns and support a unity plan that is aimed solely at appeasing the separatists of Quebec.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member talks about the western provinces and the regions. Certainly the Prime Minister has left the door open to a different Canadian configuration with the regions. In examining the proposition that calls for a recognition of four regions, he is actually following a study on Confederation written for the Canada West Foundation by the leader of the Reform Party, who called for the western provinces as one particular entity.

When the member opposite talks about the five regions of Canada and asks whether Alberta or British Columbia is a separate region, I would like to quote the House leader of the Reform Party, who says the five regions of Canada means British Columbia, not Alberta. The answer by the House leader of the Reform Party: "Not necessarily Alberta and British Columbia. All the provincial governments now have a say in the ratification formula".

When they want to talk about regions, I wish Reform members would ascertain whether they want regional status for Alberta or British Columbia.

[*Translation*]

MANPOWER TRAINING

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The Prime Minister announced two days ago that instead of recognizing the responsibility of Quebec in the area of vocational training, as we have all requested for many years, Ottawa intends to keep full control over the money it now spends on employment training by giving that money directly to the unemployed.

Can the minister confirm that, in the area of manpower training, the proposal that would have the federal government deal directly with individuals, bypassing the provinces, will prevent the provinces from implementing a true manpower training policy adapted to the needs of the labour market?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I think the Prime Minister made it very clear on Monday that the federal government was very much clarifying the respective responsibilities and we were transferring to the provinces a large number of responsibilities that had previously been under various regimes of shared programming.

For the member to claim that somehow there is now more interference is simply turning logic and reality on its head. We are making a very major departure for the province because we think that is a much better way of clarifying the role.

At the same time, I think everyone recognizes that under the Unemployment Insurance Act, as it was constitutionally agreed to in 1941 by all the provinces, including Quebec, the federal government has taken the trusteeship for those under the regime of that system and therefore we have a responsibility to the people in that system.

It is about time the hon. member learned a little about the real Constitution of Canada.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister has such difficulty explaining his positions that he always has to resort to insults. It is exactly because we, in Quebec, understand the very basis of the Constitution of Canada that we say that manpower training is a Quebec jurisdiction both on legal and constitutional grounds.

Can the minister confirm that what he is about to do, by giving money directly to the unemployed, is to keep control over national standards, choices and needs, in spite of Quebec's rights?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, frankly, it is the height of absurdity to claim, as the hon. member has just done, that under the unemployment insurance program, where people have paid premiums, we have no responsibility of helping to pay benefits. The reason people pay premiums is so we can pay benefits. That is the whole purpose of the program.

Furthermore, the system has worked effectively in the past because we have the ability to share that responsibility across the country so that people who pay premiums in one part of the country can help pay benefits in another part of the country where there are higher levels of unemployment. That is the genius of the system. In this country we have learned to share from region to region and not isolate ourselves behind a wall.

* * *

• (1450)

[*Translation*]

HIGH TECHNOLOGY

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, my question is for the Secretary of State for Science, Research and Development.

It is a well-known fact that technology is an increasingly important element of the world and the Canadian economy. Could the Secretary of State tell the House what measures the government has taken and will take to support and reinforce the high technology sector of the Canadian economy?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I want to thank the hon. member for Ottawa—Vanier for his question.

[*English*]

The question gives me an opportunity to emphasize to Canadians that a priority of our government is to launch Canada into the knowledge age. To this end, we have undertaken to fund and develop a number of significant initiatives: the second long term space plan, CANARIE, PRECARN, TRIUMF, SchoolNet, the community access program, Canadian Technology Network, the

technology partnerships program, the telelearning network of centres of excellence. In the west and Quebec there is the new knowledge based industries and ideas fund; in Ontario, a new NRC institute in London; in the maritimes, ACOA's support for federal–provincial technology agreements; in Ottawa, the technological development—

Some hon. members: Hear, hear.

* * *

LABOUR MARKET TRAINING

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the federal government's Quebec package fails to heed the calls to decentralize social programs.

Giving labour market training to the provinces without giving them the resources indicates that the Prime Minister has decided to decentralize the federal debt.

Does the Minister of Human Resources Development admit that when he transfers responsibility without giving up resources he is transferring debt, not power?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the Prime Minister made it very clear that when we table, as we intend to do on Friday, the full package of employment insurance measures that have been developed, we will ensure that the full recognition of responsibility for education and training by the provinces is acknowledged.

We would be more than interested and prepared to work with each of the provinces to ensure that the effective delivery of benefits under the employment insurance program is targeted, customized, and tailored to meet each provincial need and that there are full resources for the people in each of those regions to ensure they have adequate means of getting back to work. That is what it is all about, working together to get people back to work.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, perhaps the hon. member did not understand my question.

Effective labour market training requires that the provinces have complete control and adequate resources. Will the minister admit that he has absolutely no intention of giving up the purse strings for labour market training?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I have no intention of doing that. We will be proposing on Friday a number of initiatives and regimes that will enable and allow the provinces to fulfil the responsibilities they have under the training regime.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

This morning, we learned from a Canadian Press article that the unemployment insurance reform to be tabled in this House next Friday will base benefits on household income instead of on personal income. This measure will deny thousands of jobless people access to unemployment insurance benefits.

Will the minister confirm that his unemployment insurance reform will make the family income a determining factor in eligibility for UI benefits?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the poor member is totally confused. That is one reason I suggest he wait to see what we present, rather than basing his judgment on various news reports and speculation.

There is far too much assessment being made of our package before anyone has seen it. I would recommend that before deciding whether they like the menu, they should first read it.

• (1455)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the minister could at least read the newspapers.

And today, he could at least do one thing, and that is what I am asking him to do, which is to admit that, by taking into account not the income of the unemployed but rather the family income, he will deny thousands of women access to the unemployment insurance program, while continuing to require that these women pay their UI contributions?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member knew the dossier properly he would probably know that the child tax benefit, for example, where the federal government transfers $5.4 billion directly to aid families with children, is based on a family income test. As a result, most of the beneficiaries, I would say almost 80 per cent, are women and children.

It is about time the Bloc Quebecois began to be concerned far more about children and got off its hobby horse of separatism. The only way we will help poor children in this country is if all governments work together.

LABOUR MARKET TRAINING

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, the fact that training programs should be delivered by the provinces is neither revolutionary nor unreasonable. Along with these responsibilities, is the minister prepared to give the provinces the tax points to go along with these responsibilities?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is not within my mandate to give away tax points.

Mr. Young: Don't do it.

Mr. Axworthy (Winnipeg South Centre): I have just received advice from my colleague, the Minister of Transport, not to do it. Of course I am always more than interested in his point of view and opinion.

On Friday I invite the hon. member to be in the House and to be available. We will be detailing exactly how we would be proposing to fundamentally restructure the employment insurance system in this country to first make sure there is strong support of income for those who are unemployed and need that support, and even more important, to ensure that we are able to provide a series of benefits to enable people to go back to work.

That is the key issue, how to get hundreds of thousands of Canadians back to work. That is the purpose of this government and that is the purpose of the reform we will present on Friday.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I cannot imagine why the provinces would like to buy into a program like this when the minister is willing to give them the responsibility of the program without giving them proper tax points.

I would like to ask this minister if he knows the difference between downsizing and downloading.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, what I do recognize is that when we talk about decentralizing there is a major difference between the position that has been constantly taken by members of the Reform Party and what I think many other Canadians are concerned about.

Canadians are telling us that we do not gain by transferring resources from one bureaucracy to another. We really should be transferring resources to people, to the private sector, to communities, to those who are best able to make decisions about how to get back to work.

The fundamental philosophy of the Liberal Party is to enhance the ability of individuals to make choices about their future. No more important choice can be made than to allow individuals to get back to work.

* * *

YOUNG OFFENDERS

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Recently some of our provincial colleagues have been discussing the creation of boot camps, particularly for young offenders. There is much research on the use of boot camps as a correctional tool. Can the minister tell the House what this research reveals about boot camps, youth and reoffending?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, this government is in favour of what works.

Some hon. members: Oh, oh.

Mr. Rock: If what is meant by boot camps are properly managed facilities, properly financed, structured, intended for and capable of giving young people a sense of social responsibility, what it means to be a member of a group, developing a sense of self–esteem with proper follow up, that works and we would favour such an approach. If they are properly managed and if the investment is made, it has been shown to work.

• (1500)

Too many governments in this country and too many politicians would have us believe that the approach is toward a boot camp which is more out of Hollywood than anything else, where people are put in chains in the 1930s style to work in the hot sun. That may suit the purpose of a politician who wants to pander to a certain narrow element of the electorate, and there are such politicians. But this government is in favour of what works, and what works is a responsible approach to youth justice.

* * *

BRITISH COLUMBIA

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of National Revenue, the senior minister for British Columbia.

British Columbians are outraged that first we were shut out of the cabinet committee on unity and now we are denied the same veto rights as Ontario and Quebec.

I ask the minister: Why was B.C. shut out of the cabinet committee on unity? When will the minister finally stand up for the people of British Columbia instead of showing total contempt for British Columbians by telling us that we have to wait for demographics until we have basic equality with Ontario and Quebec? When will he stand up for British Columbians?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am disappointed that the representatives of the NDP at a time when we need to nation build are looking for differences.

I can assure the hon. member that the minister for British Columbia is working very hard to ensure that British Columbia's voice is heard strongly and loudly in cabinet. I can also assure him that the regional veto proposal put forth by the Prime Minister, which is far better than the current amending formula, places in the hands of British Columbians the power to shape the Constitution more directly in the future than they ever had in the past. The Prime Minister never closed the door to future recognition of B.C. in a specific way.

I can say that at least on this side of the House we do not have one member of Parliament calling for a region of British Columbia and another calling for a region of Alberta, something that we see in the Reform Party.

* * *

PRESENCE IN THE GALLERY

The Speaker: Colleagues, I wish to draw to your attention the presence in the gallery of members of the Foreign Affairs Committee of the Senate and Assembly of Deputies of the Romanian Parliament.

Some hon. members: Hear, hear.

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.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table the 104th report of the Standing Committee on Procedure and House Affairs concerning the federal electoral boundaries commissions reports tabled in the House and referred to the committee on Thursday, June 25, 1995.

[*English*]

While I am presenting the report, I want to thank members of the House who served on the subcommittees that did the work for the committee on procedure and House affairs at the hearing stage, ably chaired by the hon. members for Cumberland—Colchester, Leeds—Grenville, Dauphin—Swan River, and Pontiac—Gatineau—Labelle.

• (1505)

There were 81 objections filed and the subcommittees heard the members who wished to be heard in respect of those objections. I know that all hon. members who appeared before the subcommittees were very much appreciative of their efforts.

Mr. Speaker, in accordance with section 22 of the Electoral Boundaries Readjustment Act, the committee's documents required by the act will also be filed with you today for referral to the Chief Electoral Officer of Canada.

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 105th report of the Standing Committee on Procedure and House Affairs regarding the membership and associate membership of the Standing Committee on Finance.

[*Translation*]

If the House gives its consent, I intend to move concurrence in the 105th report later this day.

[*English*]

CODE OF CONDUCT

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 second report of the Special Joint Committee on a Code of Conduct.

The report recommends a change in the French name of the committee.

[*Translation*]

It recommends that the French name of the committee be changed to read as follows: "Comité mixte spécial sur un code de conduite".

[*English*]

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

* * *

CONSTITUTIONAL AMENDMENTS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–110, an act respecting constitutional amendments.

(Motions deemed adopted, bill read the first time and printed.)

* * *

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 think you will find unanimous consent for the following motion to be put without debate or amendment.

I move:

That the following members be added to the list of associate members of the Standing Committee on Procedure and House Affairs: Stephen Harper and Ted White.

(Motion agreed to.)

[*Translation*]

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 to be put without debate or amendment.

I move, seconded by the chief government whip, that the 105th report of the Standing Committee on Procedure and House Affairs tabled in the House earlier today be concurred in.

(Motion agreed to.)

[*English*]

CODE OF CONDUCT

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 to put forward a motion for concurrence, which I believe will be accepted without debate or amendment.

I move that the second report of the Special Joint Committee on a Code of Conduct presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

• (1510)

PEACEKEEPING

On the Order: Government orders

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I believe you will find consent that Motion No. 22 under government business standing in the name of the Minister of National Defence be withdrawn from the Order Paper.

The Speaker: Is that agreed?

Some hon. members: Agreed.

(Motion withdrawn)

* * *

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating all across Canada from coast to coast to coast. This particular petition has been signed by a number of Canadians from Yellowknife in the Northwest Territories.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill, and the aged.

* * *

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 all questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

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 documents be allowed to stand.

[*English*]

Mr. Williams: Mr. Speaker, on June 14, 1995 I put a notice of motion on the Order Paper that the government produce all business plans and outlook documents prepared by departments and other agencies. These are the documents that the government intended to publish under the new policy of outlook documents that were supposed to be tabled in the spring. By the end of the summer recess we were still waiting for some of these documents and therefore I put a motion on the Order Paper.

As of this date we are still waiting for the government to produce these documents. These are not new documents. They are ones that the government proposed be tabled as part of the new procedures in examining the spending of this government.

When can we expect to receive the documents we should have had months ago?

Mr. Milliken: Mr. Speaker, I understood the outlook documents have been placed before the various standing committees

of the House. Certainly all the ones for any of the standing committees which I serve on and have any responsibility for have received their documents. I am surprised to hear this from the hon. member, but I will undertake to look into the matter and get back to him as soon as possible.

GOVERNMENT ORDERS

[*Translation*]

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

Right Hon. Jean Chrétien (Prime Minister, Lib.) moved:

That

Whereas the People of Quebec have expressed the desire for recognition of Quebec's distinct society;

(1) the House recognize that Quebec is a distinct society within Canada;

(2) the House recognize that Quebec's distinct society includes its French–speaking majority, unique culture and civil law tradition;

(3) the House undertake to be guided by this reality;

(4) the House encourage all components of the legislative and executive branches of government to take note of this recognition and be guided in their conduct accordingly.

He said: Mr. Speaker, I am happy to rise in the House of Commons to launch the debate on the motion presented by the government to recognize Quebec as a distinct society within Canada.

• (1515)

I made three commitments during the Quebec referendum campaign: first, to recognize that Quebec forms a distinct society within Canada; second, not to make any constitutional change that affects Quebec without Quebecers' consent; and third, to undertake changes to bring services and the decision making process closer to citizens.

Less than a month after the referendum, the government is keeping its word and fulfilling its commitments. I would like to remind everyone that a majority of Quebecers said on October 30 that they want Quebec to continue to be a part of Canada and that they want changes to be made within Canada. The Government of Canada has understood that message, and the resolution we are debating today, as well as the bills on a veto and unemployment insurance reform, are testimony to the Government of Canada's respect for the choice of Quebecers.

By rejecting the option of separation promoted by the Parti Quebecois and members of the official opposition, Quebecers have called on their provincial government to act like a full–fledged partner and to work with us for the evolution of the Canadian federation. It is unfortunate for Quebecers that their government and the official opposition have not remembered that message. They refuse to respect the will of the majority and to represent all Quebecers, not just those who say the same things they do.

In fact, a few minutes ago, in the Quebec National Assembly, the Parti Quebecois refused to recognize the results of the referendum in a motion put forward by the opposition asking the National Assembly to recognize them. It is unfortunate that the Leader of the Opposition, who is likely to be the next premier of Quebec, is still talking as if the referendum campaign were still underway. The referendum is over. Quebecers have voted for Canada, for change within Canada. It is about time certain members of this House realized that.

[*English*]

Our government understands the lessons that had to be learned. The result of the referendum on October 30 has shown us we cannot take Canada for granted. The Canada we have built deserves to be defended against its detractors. Canada deserves to have its evolution safeguarded. That is what we intend to do.

The measures we initiated on Monday move in that direction. All our actions have just one goal: to ensure the unity and evolution of Canada in order to respond to the aspirations of all Canadians.

[*Translation*]

The purpose of the motion we are debating today is to have the elected representatives of Canada recognize that Quebec is a distinct society within Canada. As a Quebecer and a francophone, I understand and share the desire of my fellow Quebecers to have our difference recognized.

• (1520)

The motion put forward by our government goes to the very heart of what makes Quebec different. The motion specifies that this distinct society includes, and I quote: "—its French–speaking majority, unique culture and civil law tradition".

That definition of what makes Quebec different is just, true to reality and unrestrictive. I am certain that most Quebecers will recognize themselves in that definition of distinct society. It includes our traditions, our culture, our legal system and our French soul.

[*English*]

The debate we are having today on this motion is an opportunity for the members of the official opposition to show solidarity with and good faith in their fellow citizens. It is an opportunity for them to act positively to support the recognition of the distinct society of Quebec by the House.

I would not want to miss this opportunity to speak directly to Quebecers who, since October 30, since the distressing statements by Mr. Parizeau, since the unacceptable actions by Mr. Landry, have been feeling nervous and unwelcome.

Quebec is made up of a francophone majority. That is what makes it different. However, Quebec is also made up of Quebecers who have come from every part of the world. They are full fledged Quebecers and Canadians. On behalf of the Government of Canada I want to tell them today that we have not forgotten them. I assure them of our full support. They can count on us.

[*Translation*]

Canada is a country where diversity is respected, where we can recognize and affirm our differences. We reject the idea that a country must require its citizens to have a single, uniform identity.

The reality of Canada accommodates recognition of Quebec as a distinct society within Canada. The reality of Canada includes the reality of Quebec.

We are calling today on the members of this House to recognize that Quebec is a distinct society within Canada.

[*English*]

During the referendum campaign the legislatures of Ontario, New Brunswick, Nova Scotia and Newfoundland passed resolutions recognizing the uniqueness of Quebec within Canada by virtue of its language, culture and legal systems.

Canadians throughout the country also showed their attachment to Quebec during the referendum campaign. All across the country spontaneous demonstrations were organized in support of Quebec.

Today I call on Canadians who demonstrated their attachment to Quebec during the referendum campaign to support our government's initiative to recognize Quebec explicitly as a distinct society.

[*Translation*]

With the support of Canadians, with the support of governments in the other provinces, and with the support of members of this House, I am certain that, if the Government of Quebec so wishes, we will be able to entrench that recognition of Quebec's distinct society within the Canadian Constitution.

• (1525)

But now is not the time for constitutional discussions, because the Government of Quebec and the Leader of the Opposition himself have indicated that they refuse to participate in such discussions. That is why the government has decided to show Quebecers that it is possible to recognize their society for what it is, by calling on the House to vote in favour of this motion.

Once it is passed, this resolution will have an impact on how legislation is passed in the House of Commons. I remind Canadians that the legislative branch will be bound by this resolution, as will the executive branch. This is a real, dynamic recognition, recorded in the very heart of our country's government.

I believe that this is the type of assurance and guarantee that the majority of Quebecers are looking for. And the Leader of the Opposition need do only one thing to indicate to them that he respects their vote in favour of change within Canada. Unfortunately, he has already indicated that he does not intend to do that.

Moreover, the Leader of the Opposition often likes to remind us of those who did not support Meech. And each time, memory fails him. Well, I would like to remind him that his colleague sitting right beside him, the member for Roberval, was a member of the National Assembly in 1987 and he voted against Meech.

The party which he intends to lead voted against Meech and against Charlottetown, and is about to reject for a third time in a row the recognition of the fact that Quebec is a distinct society within Canada.

The party he still leads today is about to do the same. History will remember that.

[*English*]

As it concerns the aboriginal people of Canada, my government is clearly on record as respecting their aspirations. We recognize the unique legal position of aboriginal people, including the protection of aboriginal and treaty rights in the Canadian Constitution and the inherent right of self–government.

This resolution, through which the House is being called upon to confirm the reality that Quebec is a distinct society, is not intended in any way to infringe upon or derogate from those aboriginal or treaty rights. This position includes the inherent right of self–government.

[*Translation*]

Quebec has long claimed a veto over amendments to the Canadian Constitution to ensure that it is a full participant in the evolution of the Constitution and to have protection against amendments that could diminish the powers, rights and privileges of the National Assembly and the Government of Quebec.

The Government of Canada recognizes the legitimacy of those demands. Indeed, we are where we are today because, in 1981, the PQ government of the time abandoned its traditional demand of a veto in favour of the current amending formula. As far as we are concerned, our party has always, always supported a veto for Quebec.

Furthermore, the Government of Canada also recognizes that a constitutional amendment is a serious measure. It should be based on a broad consensus. No region of Canada should be excluded.

• (1530)

[*English*]

That is why the bill requires that the Government of Canada first obtain the consent of Quebec, Ontario and two provinces from both the western and Atlantic regions representing 50 per cent of the population of each of those two regions before proposing a constitutional amendment to Parliament.

Some people will say that this proposal does not respect the principle of equality of the provinces. I will answer that equality of the provinces means that all provinces have the same rights to make laws, to make decisions and to set policies to serve the interests of their citizens.

Our proposal does not change that reality. As the Minister of Justice indicated during question period, to change the Constitution today with the amending formula that exists it requires four small provinces to block an amendment but only two big provinces to achieve the same goal. It is a sign that the weight of the population is already incorporated in the Constitution that serves the country today.

Others will say, and we have already heard them, that the bill does not do justice to British Columbia. At this point I directly address the people of British Columbia. With the constitutional veto ascribed to western Canada in the bill, British Columbia will have a larger say on the Constitution than it has ever had in Canadian history. With almost half the population of the west, British Columbia will wield unprecedented weight. Some people are trying to characterize this tremendous progress as a setback. We should not believe them. It is the opposite. It is the start of a new era of British Columbia's strength in Canada.

In extending its veto to Quebec, Ontario, the Atlantic and western regions, our government is directly inspired by the major principles of our democracy. It is a solid, tangible measure that reconfirms the government's willingness to use practical, essential means to protect all regions of Canada with regard to future constitutional changes.

[*Translation*]

At a time when all modern societies must deal with an ever–changing world and environment, a world in which borders are disappearing, Canada must adapt. Accordingly, the third initiative put forward by our government at the beginning of the week is a response to the desire expressed by all Canadians for their governments to become closer to citizens.

[*English*]

The reform that the Minister of Human Resources Development will table in the House on Friday is an example of the pragmatic approach we want to take to clarify the roles and responsibilities of the Government of Canada.

Let us be clear. We will not abandon our constitutional responsibilities to help unemployed Canadians re–enter the labour market, a constitutional obligation we have had since 1941. We will continue to act to get Canadians back to work in partnership with all those who share that objective.

It is important to recognize and respect the responsibility of the provinces in the areas of education and labour market training.

[*Translation*]

We appreciate that workers need training to keep their job or find a better one, and we are prepared to help them. But we will do so only with the consent of the provinces, respecting the priorities of each. We are putting forward a proposal for partnership, and our main partners in this area are the provinces. In Canada, we overcome our difficulties through a spirit of compromise and mutual respect.

• (1535)

The spirit of cooperation and partnership that inspires us should motivate us to continue building this country in an atmosphere of generosity and respect. The measures we are taking today mean change without revolution, progress without break–up.

[*English*]

In the final days of the Quebec referendum people across Canada demonstrated an outpouring of love for their country the likes of which I have never seen in my 32 years in public life. They spoke out in one loud voice of their deep, deep attachment to Quebec and of their yearning to keep Canada together.

I said to them then that I would not let them down. Mr. Speaker, today I stand before you, before the eyes of the whole nation, and say proudly that I have not let them down and I know that they will not let Canada down.

[*Translation*]

I want to say to my fellow Quebecers: You have demonstrated your commitment to Canada. I am telling you that we, in the House of Commons and across Canada, will show that we warranted your faith. You were right in believing that Canada can and will change to meet your aspirations and those of all Canadians, that Quebec can stand proud and tall inside Canada.

In the coming days we will hear from those who defend only their own interests. We know the agenda of the separatists. They want to destroy Canada.

And there are others in other parts of Canada who think that the way to win popularity and power is to divide, to attack, to pit Canadians against one another.

[*English*]

That is not the Canadian way. It has never been. The Canadian people are stronger, more open and more understanding than that. When the chips are down they stand up for Canada. That is what I ask them to do in the days and weeks ahead.

It is easier to attack than to work together. It is easier to shout than to listen. It is easier to destroy than to build. It is easier, yes, but it is wrong for ourselves, for our children and for our country. The shouters, the attackers, the destroyers have had their say. Now Canadians want to get on with building Canada. The initiatives we have tabled today and will table in the next few days will help us to get on with that job. I know Canadians across the country from B.C. to Quebec to Newfoundland and the north will support us.

• (1540)

[*Translation*]

That is why I call on all members of the House to support the motion of the government, which wants the House of Commons to recognize Quebec as a distinct society within Canada.

Some hon. members: Hear, hear.

The Speaker: Dear colleagues, before recognizing the Leader of the Opposition, I will hear the hon. member for Sherbrooke on a point of order.

Mr. Charest: Mr. Speaker, I rise on a point of order concerning the order in which the speakers will be recognized this afternoon. You will understand that the resolution before this House today is exceptional in nature and that, under similar circumstances, the House usually shows some flexibility.

Therefore, with your permission, Mr. Speaker, I would like to ask for consent, this afternoon—and I think that my hon. colleague from the New Democratic Party plans to do the same—to be allowed to speak immediately after the leader of the Reform Party and, should the time normally provided be expired, to disregard the clock, so that each of us has an opportunity to speak on the resolution just tabled by the Prime Minister.

[*English*]

The Speaker: I will go directly to the whip of the government and will take the other two points of order.

Mr. Boudria: Mr. Speaker, I consulted with my colleagues about this issue earlier this day. I am pleased to report that we would consent to such a proposal and that we are willing to make the same offer to the hon. member for Yukon if she were to seek it.

The Speaker: I will recognize the hon. House leader of the Reform Party on the same point of order.

Mr. Speaker (Lethbridge): Mr. Speaker, we have considered the matter and feel that we should use the regular order of speaking with regard to the resolution. If the government wishes to give up two of its slots as time goes on that is its business. We believe we should follow the regular order of speaking and not change the order of business.

• (1545)

[*Translation*]

Mr. Gauthier: Mr. Speaker, as far as the hon. member's request is concerned, I would just remind him that, not so long ago, my colleagues asked for consent in debates of great importance to Quebec, and he consistently denied consent. Let him now abide by a narrow interpretation of the Standing Orders and have a taste of his own medicine.

[*English*]

The Speaker: The hon. member for Sherbrooke and the hon. member for Yukon have both asked for unanimous consent. The House, as I understand it, has refused this consent. We will now proceed to the hon. leader of the opposition.

Ms. McLaughlin: Mr. Speaker, I rise on a point of order. I understand that you have ruled on this, but I would like to register within the House a point of order on the fact that at a time when we are trying to look at the future of this country it is regrettable that the Bloc and the Reform Party do not accept the proposal of the member for Sherbrooke.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we just heard the Prime Minister's speech. I think we should point out that this speech is a distinct departure from the approach the Prime Minister has taken in the past two years. During the 1993 election campaign and the subsequent two years in this House, the Prime Minister's approach was extremely hard, rigid and, I must admit, consistent, in other words, he did not mention the Constitution, did not feel it was appropriate to suggest any changes and was quite satisfied with Canada as it is.

He took a similar approach during the initial weeks of the referendum campaign, so much so that he put his feet up and relaxed until the last week of the campaign, when he woke up to the fact that the yes side was surging ahead and had become a very real threat to the no side. His reaction was very nervous, very improvised and came on very short notice.

He quickly arranged for a very large meeting in Verdun on October 24, where he said the following—this was the new Prime Minister—and I quote: "We will keep open all the other

roads to change, including administrative and constitutional means. Any changes in constitutional jurisdiction will only be made with the consent of Quebecers".

Back in the House, after a very narrow win by the no side, improvisation has been the name of the game in the federal government. First, it set up two committees—we still do not know what they are doing—which were short–circuited by the debate we are having today. One of the committees, chaired by the Minister of Intergovernmental Affairs, is supposed to come up with and propose ways to resolve the current constitutional mess and deadlock. Second, we have the announcement the Prime Minister rushed to make on Monday about a resolution that would include a symbolic recognition of Quebec as a distinct society, a so–called veto and a vague delegation of activities in the area of manpower training.

• (1550)

The question is: What is behind this complete about–face by the Prime Minister, who has consistently fought the concept of a distinct identity for Quebec?

First of all, there were the circumstances. The Prime Minister was very surprised and even distressed by the almost irresistible advance of the yes side during the latter part of the referendum campaign. And it was fear, and fear is a very healthy reaction and also, according to the gospel, the father of wisdom, that inspired the sudden statements he made on October 24 and during the last days of the referendum campaign.

This surprising about–face is neither surprising nor an about–face, since the proposal is meaningless and a worthy successor to all the political positions taken so far by the Prime Minister since the beginning of his career with the federal government and on the federal scene. Words can be made to say what we want them to say, and the phrase "distinct society of Quebec" is no exception. Distortion is always possible.

The expression "distinct identity of Quebec" is a case in point. It may be useful to recall that its initial appearance in our constitutional vocabulary and on the political scene in Canada and Quebec actually dates back to February 1965 and the preliminary report of the Laurendeau–Dunton Commission, where the expression was used in a rather descriptive way, devoid of any political or legal content. It surfaced again, this time with a more formal meaning, in September 1970, when Mr. Bourassa, the newly elected Premier of Quebec who was attending a constitutional conference, actually used the expression in the meaning it has had more or less since that time.

However, starting in 1985, the term was to develop some very specific overtones, as in the Quebec Liberal Party platform in June 1985, before the election that would be held several months later, and this recognition of the distinct identity of Quebec was to become a precondition for any decision by Quebec to become part of the Constitution of 1982.

We must therefore examine the context. In 1982, Quebec sustained a blow, a blow with which everyone is familiar, and which was felt very strongly by everyone including the Quebec Liberal Party, which had always refused to endorse the Constitution, even condemning it in a vote in the National Assembly in November 1981. And in 1985 the Quebec Liberal Party, in an attempt to unravel the knot, to bring things out into the open, proposed that Quebec set the precondition to signing the 1982 Constitution—the Prime Minister's Constitution, the one that still has a blank at the bottom of its last page next to the name of Quebec—the precondition to any negotiation, of the unconditional recognition by the federal government and all of the provinces of Canada of the distinct character of Quebec.

Then, of course, on June 3,1987, came the signing of the Meech Lake accord. The real one, the real Meech Lake; not the one to which the Prime Minister refers all the time, which is his accord, the one he had watered down later on, and the one I shall speak about later, but the true Meech Lake accord. On June 3, 1987, all of the first ministers of Canada, provincial and federal, reached agreement for the first time in history on the signing of a constitutional accord which would have allowed Quebec to preserve its honour, to return to the constitutional family, and then to come on board with enthusiasm. The words "honour" and "enthusiasm" correspond to two separate phases. First of all, the return to the family with head held high, because our distinct character has been recognized, and second, enthusiasm in redefining the division of powers between Canada and Quebec.

I am recalling a context which I see as extremely important since it offers a very good explanation of the degree to which today's proposal, which is totally unacceptable and does not hold up, will not fly. It will not even make it into the history books, except perhaps as a footnote somewhere. It is a truly minimalist effort, nothing in comparison to previous efforts to attempt to settle the Canada and Quebec problem.

What was there in the Meech Lake accord of June 1987? Let us review this. First of all, there was entrenchment of the accord in the Constitution. Entrenching a formal agreement as part of the Constitution is by no means a trifle. This means there are consequences. This means the courts are obliged to take it into consideration, to apply it. They are bound by the clauses introduced into the Constitution.

• (1555)

You will note as well that the wording is extremely strong. So strong, in fact, that it greatly displeased the Prime Minister who has fought it ever since with all of his might. The formulation is that, henceforth—I shall describe it now. I will quote it verbatim in a few minutes—

Ms. Copps: Oh, oh.

Mr. Bouchard: I would appreciate the Deputy Prime Minister allowing me to speak. This is perhaps one of the last speeches she will have the pleasure of hearing me give in this House. Would she let me speak?

Mr. Speaker, the Meech Lake accord of June 1987—and it is important to keep this in mind—required the courts, from the Supreme Court on down, to interpret all of the Constitution, including the Charter, "in a manner consistent with the recognition that Quebec constitutes within Canada a distinct society". There was nothing to qualify this, no definition of content which would thereafter represent a limitation, simply the strong and clear statement of the principle to be recognized.

This, therefore, constrained the courts in future to recognize and implement a principle which imbued the Constitution with a new spirit. Each and every provision of the Constitution, with the amendments and everything that dates back to 1867, was tinged with something new: the recognition of Quebec's distinct nature. It also introduced, formally, in terms of a legal instrument, a new criterion for interpreting all the provisions.

When I say all the provisions, I also mean the provisions of the Prime Minister's Constitution, the 1982 one. It, let us remember, did a lot of things. One of the things the 1982 Constitution effectively introduced into Canada and Quebec's legal and political landscape was the notion of a single country, a Canadian nation—this was a first.

This was the first time constitutional and legal texts talked about Canada as a single nation, the nation of Canada. The corollary, needless to say, was that Quebecers found their existence as a people being denied, implicitly, if not explicitly. Up to this point, there had been lots of discussion, but, under the Constitution of our forebears, the one we Quebecers agreed to, not the other one, the Prime Minister's, the prevailing spirit was that there were two founding peoples.

It was not expressed this way in so many words, but this is what our forebears had in mind when they agreed to sign the 1867 confederation agreement. Otherwise, Lower Canada would never never have agreed to sign the Constitution. This is what convinced Quebec parliamentarians of the time to enter into confederation, because they thought that French Canadians, as they were then called, could move about freely within Canada, could feel at home wherever they were and could be the equal of the other founding people everywhere.

What happened in 1982? A principle was introduced, which basically knocked the stuffing out of the concept many Quebecers had of Canada, including Quebecers who were still federalists.

The Meech Lake accord came back to this very point. It provided, in addition to the initial interpretation criterion—recognition of Quebec's distinct nature—for a second criterion, which was recognition—I will read the text, it is very short—that: "the existence of French-speaking Canadians, centred in Quebec, but also present elsewhere in Canada, and English-speaking Canadians, concentrated outside Quebec, but also present in Quebec—"constituted a fundamental characteristic of Canada.

This extremely important principle is enshrined in the text of the Meech Lake accord. This means there is a duality. I am sure that many lawyers, with a little bit of imagination, could have argued before the courts that this implied the recognition of two peoples and not a single Canadian people with the existence and the identity of Quebec mixed in with the lot and therefore annihilated. That was in the Meech Lake accord.

So when they say the accord did have teeth, it is true that it was an important document. Furthermore, it recognized something very important. It was the fact that Quebec's distinct nature was not subject to the charter of rights and freedoms. This is a very significant principle and it convinced many Quebecers to accept the Meech Lake accord, despite the fact that many sovereignists opposed it. My colleague here, the member for Roberval, opposed it. I approved it. A lot of sovereignists like myself decided at the time to give federalists a chance—this has been referred to as the "beau risque"—and support Mr. Mulroney in this, which was leading to the recognition of something that had never yet been accepted.

• (1600)

This should be recognized as very important for it marked the beginning of the crisis that deeply divided the country and the Tory cabinet and led to my resignation and the resignation of several Tory MPs to form the Bloc Quebecois. It is important to note that the original Meech not only recognized Quebec's distinctiveness without limiting it, but also ensured that this recognition was not subordinate to the pre-eminent charter of rights and freedoms, which, as we know, is the Prime Minister's baby.

If someone should know that the first Meech Lake accord protected the principle of recognizing Quebec's distinctiveness against the application of the charter of rights, it is the Prime Minister. That is the reason why he was so vehemently opposed to it. As many people must remember, a milestone in the Prime Minister's philosophy and political journey was the very important speech he delivered on January 16, 1990, here at a university, in Ottawa, in which he sounded the death knell of Meech.

You may wonder why, since he was not even a member of Parliament at the time. He may not have been an MP, but he was a candidate—still undeclared, I think—for his party's leadership. He had not yet declared his candidacy, but everyone knows that the intention comes before the formal declaration. Everyone knew that this former MP and minister, who spoke before Ottawa university students on January 16, 1990, had every

chance of becoming the next Prime Minister of Canada and that his words therefore had weight.

What he said at the time is very important, because it marked the fatal attack against the Meech Lake accord. The Prime Minister had a lot of credibility, and he still does, I think, with all Canadians, and perhaps to an even greater degree in English Canada. I am not criticizing him but at the time—at least in English Canada, where there was a great deal of muted, latent opposition to the Meech Lake accord—his voice was heard as being extremely effective in destroying any political chance of success for the Meech Lake accord.

What he did was to invoke basic rights and the need to preserve the effectiveness of the charter of rights. He said this, and I quote: "By proposing that the distinctiveness of Quebec society be affirmed in a constitutional interpretation clause", an effective interpretation criterion, as I said, "they are in fact splitting the country in two, with Quebec on one side and the other nine provinces on the other". In his speech, the Prime Minister was desperately trying to demonstrate that recognition of Quebec's distinctiveness should not be an interpretation principle, because it is too broad, because it would undermine the effectiveness of court rulings under the charter of rights, and that the substance of the Meech Lake agreement should therefore be drastically altered.

What the Prime Minister said in January 1990 throws an almost blinding light on his subsequent behaviour and successive positions, which are all in line with his efforts to water down recognition of Quebec's distinctiveness.

Why did the Prime Minister, who is an honest man, a responsible public figure who wants what is best for Canada—and no doubt for Quebec as well—throw such a monkey wrench in works that were bringing hope, at the time, for a moment of grace, harmony and agreement? Why did he do that? I respectfully submit—I could be mistaken, but this is a possible explanation—that he did it first because, in his opinion, and I respect his opinion, Canada is a nation. In his view, there is only one people in Canada, the Canadian people, comprised of a number of components, including one called Quebec.

• (1605)

The bottom line for him, and this is another principle of his, Quebec is like any other province. Quebec is one of the good little chicks around the federal hen.

Some hon. members: Ha, ha.

Mr. Bouchard: But he is a logical man, Mr. Speaker. I would never challenge his logic, since his logic leads him to conclude, and this is a characteristic of his position, if he does not recognize the distinctiveness of Quebec in its true sense, it is because he came to the logical conclusion that there is only one, real national government, namely Ottawa, to represent Canadian values, make major decisions, decide the basic trust of anything and everything happening in Canada and that the provinces are just that, provinces. They exist under the Constitution. There is not much that can be done about that. There they are.

Since they are part of the Constitution, the provinces have to be tolerated, but nothing keeps this government from cutting funding and putting the squeeze on them. The federal government is in trouble? It is experiencing financial difficulties? They just cut funding to the provinces, while keeping the tax money and points and without cutting taxes.

The provinces are actually viewed as some kind of arrangement, and they are respected as such, entities, administrative entities, perhaps huge municipalities in the eyes of the Prime Minister and other like–minded individuals, including his mentor, Pierre Elliott Trudeau, who tried relentlessly to impose as a reality a fiction of Canada.

These people are living with a fantasy of what Canada should be. Their vision of Canada is quite simple. Imagine a circle, the federal system; all around this circle, you have little squares, dots or what not called provinces and, in the middle, you have the basic national state. Very often, their speeches and attitudes have reflected some sort of weariness about the presence of the provinces, whether Quebec or the other provinces, provinces that have identities and aspirations. I know for a fact that the Reform Party has legitimate concerns about this.

So, you can understand now why this reasonable and responsible man did what he did in 1982. I do not think it is justifiable but, in 1982, this man, who had this vision of Canada, went as far as to impose it on Quebec.

Never in the history of this country—and I know a thing or two about history from my studies, and many—

Some hon. members: Oh, oh.

Mr. Bouchard: Indeed, I studied history and I am being modest in saying that I know a thing or two on the subject. And I am not alone in Quebec to have studied history. Bear in mind that Quebec's motto is "Je me souviens", which means I remember. If Quebec's identity has survived this long, it is because of its long memory.

Like many other Quebecers, as a student, I was not a sovereignist, but this did not prevent me from being critical of the confederation. And my criticism is on record. I might have put in writing as the editor of the student newspaper and all, but it never occurred to me that, someday, a democratic Canada, English Canada, a nation that is open, tolerant and respectful of individual rights, could actually rely on its weight to crush Quebec's wish, tear up the Constitution agreed upon by our forefathers in 1867 and replace it with another constitution that

was not recognized by Quebec but imposed on Quebec, a constitution repudiated by every democratic entity and political party in Quebec, including federalist parties.

I would never have thought that this kind of thing could happen in my country. I would like to tell the Prime Minister, who feels that I refer to 1982 too often, that I can understand why that makes him uncomfortable. I can understand that, but I want to remind him of that sunny day when, along with Her Majesty the Queen of England, as Queen in right of Canada, and Mr. Trudeau and Mr. Ouellet, he signed, on the lawn of Parliament, the patriation of the 1982 Constitution. That day, which was a great day for the rest of Canada, is the day that Quebecers' desire to achieve sovereignty was exacerbated.

• (1610)

We can now see that, for someone coming back to lead the country, the original version of the Meech lake accord, that is the one signed by the then Prime Minister and by all the premiers of Canada, was a threat. He perceived that agreement as a terrible threat, as something which could undermine what he had accomplished, even by encroaching on the collective rights of Quebecers.

So, what did he do? He did a controlled skid. He realized that he should not oppose the recognition of Quebec's very distinct nature, that he could not deny that—indeed, it would have been somewhat preposterous to say that Quebec is not distinct, given all that distinguishes us, and at such a deep level too. So, he kept the expression, but did everything possible to make it meaningless.

It is at that level that his political work paid off. Make no mistake about it: he is a capable and formidable politician. I am among those who have the deepest respect for his political know–how, as demonstrated by his succeeding in diluting the concept of Quebec's distinct nature. What did he do after his January speech? He made sure that it would become obvious to Mr. Mulroney, who was then Prime Minister, that—

Ms. Copps: Your friend.

Mr. Bouchard: Pardon me?

Ms. Copps: Your pal, your buddy.

Mr. Duceppe: They have no class.

Mr. Bouchard: Mr. Speaker, they say that Mr. Mulroney was my friend, as though that was a bad thing. Yes, we were friends for 30 years.

Ms. Copps: What did you deliver?

Some hon. members: Oh, oh.

Mr. Bouchard: What do you have to say against Mr. Mulroney? What does she have to say against Mr. Mulroney? Let us hear it. What does she have to say?

One hon. member: Stand up.

Mr. Bouchard: This is not the place to discuss personal issues. The Deputy Prime Minister should not express any animosity she may have towards a person during this debate.

Here are the facts: at the time, that man, Brian Mulroney, was Prime Minister. He had succeeded in having the Meech Lake accord signed on June 3. No one had ever managed to do something like that in Canada. Never. Obviously, the Prime Minister is not on his way to achieve that either.

If I am not mistaken, the opposition organized by the current Prime Minister, then a possible candidate, and later an official one, for the leadership of the Liberal Party of Canada, convinced Mr. Mulroney and his entourage, of which I was no longer a member, that he had to negotiate with him. So, without many people knowing about it, I certainly was not awareof it, people decided to move closer to the views held by the future Prime Minister, so that he, since he controlled the leaders of the provincial Liberal parties, who were blocking the Meech Lake accord, could remove the obstacles and ensure that the accord would be signed, albeit with a revised content.

That agreement was reached by the so–called Charest commission. They agreed on diluting the content of Meech. The Quebec caucus of the Conservative party, which was under my responsibility, had pledged that the substantive provisions of Meech would never be changed. I believe it was in the last days of May that we learned there would be a Charest report, which had the support of the Conservative and Liberal parties and which diluted the recognition of Quebec's distinct nature to such an extent that the charter of rights would apply to it, thus having the effect of making it sterile.

That is when I resigned. I resigned, as did others, as a matter of principle. I had not come to Ottawa to support the views of the current Prime Minister. I had come here to fight them.

So that led in June 1990 to Meech II, son of Meech, watered down Meech, wishy–washy Meech, the Prime Minister's Meech which was even then rejected by English Canadians for still going too far. In Newfoundland, Manitoba and among English Canadians in general, two out of three surveys showed that it was still giving too much to Quebec, whereas it had become unacceptable for Quebec, even for those who had supported it until then.

• (1615)

Then came Charlottetown, where it was diluted still further. This is where they started to define recognition of the distinctive nature of Quebec; by defining it, of course, they restricted it. They started to put it on the same footing as equality between the provinces; distinct, equality for all. Everybody was distinct. Something for everyone, everyone on the same footing. It no longer had any meaning. The people rejected it. Not me, not the

wicked separatists, but all of the people of Quebec, all of the people in English Canada.

So, bye bye Charlottetown.

What is this week's incarnation? What are they proposing to us now? I have to admit that I have a compliment for the Prime Minister: this last attempt to water down distinct character is the best yet. This time we do not need a lawyer's opinion appended to the resolution to know that it means nothing.

Remember, in the somewhat comic episodes involving Meech II, there was still some doubt, still some people who were wondering "maybe it does still mean something". Some lawyers signed a legal opinion that it meant nothing, which was appended to the Meech Lake accord.

This time, there is no need to pay any lawyers. There is nothing that needs to be appended; all one needs to do is read it to realize it means nothing. They took no chances this time.

Why? First of all because it leaves untouched the concept of a single Canadian people according to the 1982 Constitution. In other words, the Prime Minister saved his Constitution, the one that is not Quebec's, the one we did not sign but he signed on the steps in front of Parliament. His Constitution is intact.

There is only one Canadian nation; Quebec is part of all that and should live with it and blend in. The identity of the Quebec people? Sorry, some other time.

Furthermore, what we have here is just a simple resolution. Just that. So what does this mean in legal terms, a resolution by Parliament, by the House of Commons? It is a wish formally expressed by a group of parliamentarians but without any legal effect. The courts are not bound by this resolution. A lawyer could not even put it before a court, which would refuse to acknowledge its existence because legally, a resolution does not exist. It is nothing.

An hon. member: Wishful thinking.

Mr. Bouchard: Just wishful thinking. And even the House is not bound by this resolution. If the House passed the resolution, with the Bloc voting against it, of course, if the House, on the strength of its majority, were to impose adoption of the resolution, the very next morning the resolution would not be binding. The House could do anything at all. Imagine if the government were to change. What would our Reform Party friends do with the resolution and the so–called veto? We will talk about that one tomorrow.

It is just a mirage. This resolution is a mirage. Not smoke and mirrors, that would be too strong a term, because it implies there is more than meets the eye, and in this case, when you read the resolution, it is all there. So this is not a case of smoke and mirrors but a mirage.

It demonstrates a complete failure to appreciate what Quebecers want. I think that, when people have been in Ottawa for a few years, and it might happen to me because I have been here for some time—they tend to become a little isolated from what is happening in Quebec. It is almost inevitable. Being on the Hill is like living under a glass dome, and because we always breath the same oxygen, see the same faces, listen to the same voices, read the same newspapers and talk to the same reporters who are listening to us, we finally lose touch to some extent—not altogether, of course not—with what is going on out there.

Remember what it was like in the House the night the Charlottetown resolution was adopted. I remember. It was a very solemn occasion, of course. The whole House rose to adopt Charlottetown, all parties, all members. There were only six or seven members— The member for Beaver River was with us, members of the Bloc, in the corner, along the curtain, and we voted against the resolution. We almost felt embarrassed to do so. I told myself that evening: Could it be that the Bloc, having been in Ottawa for too long, has lost touch with reality, that it has failed to understand that Canadians and Quebecers want the Charlottetown accord? Could I be wrong? Could we, the dissident minority, the outcasts along the curtain, be wrong? Could we be wrong or could all these intelligent people who fly to their ridings every day, who meet everybody, who know the issues, who are advised by people who are extremely bright, people from the Privy Council, be wrong?

• (1620)

They were wrong indeed. The people proved them wrong. So I was saying that there is something in Ottawa that makes people lose touch with reality, at least with Quebec's reality. How can the Prime Minister think that Quebecers will be pleased to hear him say that he recognizes the fact that they are a distinct society? How can he think that this will make us, Quebecers, happy? We certainly know that we are a distinct society and we have known it for quite some time.

What we want is the means to make our own decisions, to plan Quebec's future based on our differences. That is what we want, but we are not getting it. There is nothing to that effect in the resolution.

What I am saying basically is that the Prime Minister and his colleagues are burying their heads in the sand. By constantly refusing to face reality, they eventually sink into some kind of surrealism. This is evident from the fact that, from Meech 1 to Meech 2 and from Meech 2 to Charlottetown, Quebec was

always offered less and less. Maybe they offered a little less each time because they were tired by their previous effort.

They tried Meech 1, it did not work. They offered Quebec a little less in Meech 2 and, of course, it did not work either. They offered even less in Charlottetown, which was rejected by the people in a referendum. So what are they doing now? They are trying again, offering less than in Charlottetown this time. And they think that Quebec will go for it. They even think that Quebecers are fascinated by this debate. Well, they are not. I am sure they will not be listening to us today or tomorrow. I am convinced that they have now moved on to other things that are of greater concern to them.

It has now become the debate of the Prime Minister, who is just discovering the distinct society clause, who wakes up at night thinking about Quebec's distinct nature. Too late, Mr. Prime Minister, it is over. You can sleep at night and dream of things other than Quebec's distinct nature. It is a thing from the past, from the political past.

When I said that the government's approach borders on surrealism, let the people be the judge. On the one hand, as I have just shown, the federal government's offers are less and less meaningful, ever shrinking.

At the same time, and moving in the opposite direction, Quebec's demands are growing and are more attuned to the reality of the people of Quebec. Why? We have only to look at events in recent years. In May 1980: 40 per cent of Quebecers give their support to a soft question on something that ended up simply being a mandate to negotiate, to try to negotiate sovereignty–association. Charlottetown, 1992: the Accord reached by all parties and governments, including the Government of Quebec under Mr. Bourassa, is rejected. In 1995: sovereignty on a hard question, that is, the legal and political ability to proclaim sovereignty following a yes vote, 49.4 per cent vote in favour.

While Quebec, on the move toward sovereignty, is ever increasingly achieving its status as a people and wanting to assume this status with means that are rightfully its own, the federal government offers less and is surprised when the offer is refused. Is this surprising? Not to the people in Quebec, at least.

What I am saying in fact is that the whole debate on Quebec's distinct nature has largely lost its immediate relevance.

• (1625)

Why? First, because, in Quebec, everyone knows that it is impossible for English Canada to get its act together enough to propose something acceptable to Quebec on this point. This House is an example of English Canada, for once. I was talking about the other House, which is disconnected from the people of Quebec and Canada. At least this House shows us that, in English Canada, there are a lot of differences in opinion on the Prime Minister's vision.

Therefore, Quebecers, who see all this, know what happens in English Canada and have lived through 30 years of useless efforts, know full well that nothing positive will come in response to their basic expectations about the recognition of Quebec's distinct nature. It is also out of date, because it must be understood that the phrase "Quebec's distinctiveness" was a compromise right from the start. It is a phrase that Mr. Bourassa used out of political courtesy, out of political correctness, I would say, to avoid using the actual phrase "the people of Quebec".

He knew that to recognize the people of Quebec would scare the federal government and English Canada and that it would never go over. So Mr. Bourassa, who has a way with words, who must have read the old reports of the Laurendeau–Dunton Commission, found this phrase, included it in his speech, and ended up making it one of the conditions for Quebec's joining the 1982 Constitution.

But English Canada saw right through it. People have great instincts. I think that people in both Quebec and English Canada have very sound political instincts. English Canada realized, perhaps more or less consciously that, behind the phrase "Quebec's distinct society" lurked the phrase "the people of Quebec", and that is why they rejected the agreement. That is why they will always refuse to recognize Quebec's distinctiveness, as they have done so far. If we ask them, and if Quebec does not act to secure this recognition, they will always refuse. They will never let a Prime Minister of Canada turn this recognition into a legal reality.

I just said that I urge the Prime Minister to be realistic. I would also like to tell him that I want to preach by example and that we in Quebec now intend to face reality. First of all, everyone in Quebec is tired of talking about the Constitution. Everyone is sick and tired of hearing these phrases that keep changing year after year and month after month: special status, asymmetrical federalism—that one was quite a find; we never found out what it meant but it will probably be explained to us some day—, equitable federalism, cultural sovereignty, distinct society, and also "equality or independence" and then "masters in our own home", all this to go around in circles.

The people of Quebec know that we have tried everything, that we have gone through the dictionary, and that all these efforts have led nowhere. It is time for a reality check; the people have had enough of these debates. Second, we in Quebec have more pressing priorities like government finances. In Quebec, the integrity of our public finances—which, incidentally, are in better shape that the federal government's, but that is none of my concern since I am not responsible for managing

federal affairs, while the Parti Quebecois may entrust me with the public finances of Quebec—is a basic requirement, not only as a matter of correctness or sound management practice.

No, in Quebec—and it is the same in Ottawa, I am sure—putting our fiscal house in order is a matter of restoring our ability to choose. Unless the government's financial base is restored, no one will have any choice any more. There is no point in holding debates on the environment, the Constitution, the future of political systems, export policy, social assistance or any other issue, if steps are not taken to ensure that the government will be able to make choices.

Any government that is in a financial squeeze has no room to breathe and can no longer carry out its basic function. That is why we in Quebec, if the Parti Quebecois puts its trust in me, will address this problem. I will not waste any time reading constitutional proposals made by the Prime Minister if they look anything like this. There are other priorities, but these will be dealt with in greater detail in Quebec City. We may participate in discussions. After all, we are still part of the federal system. I can see where the Prime Minister is coming from. I heard his plea the other day, when he said he was prepared to discuss in the interest of the people of Quebec and Canada. But in the meantime, anything that may be in the interest of Quebec will not fall on deaf ears if the Parti Quebecois puts its trust in me.

• (1630)

What Quebec wants, when all is said and done, with respect to the Constitution—a discussion that may continue tomorrow again, for the Prime Minister has yet another proposal to make to us tomorrow; the Prime Minister is suddenly becoming very active, hyperactive even, in connection with the Constitution—let us be clear right from the start, what Quebec wants, what we need, with respect to the Constitution, we know we cannot expect from either the federal government or English Canada. We know that we are the only ones who can give it to ourselves, take it for ourselves, and to the extent that our future as a people, the remedy for our present problems, the flowering of our economic, social and cultural identity, is linked to our status as a people. We now know, from the message we are receiving from English Canada, particularly after today's inadequate resolution, that it is up to us to give ourselves the status of a people.

We have nothing to ask for, nothing to beg for from the federal government and English Canada. We do not mean this arrogantly; we are merely speaking as adults. We have attained a sort of political maturity which comes from all of the conclusions we have drawn from all of those years of empty discussions, of going around in circles. English Canadians are also familiar with this; they are just as tired and disillusioned as we are. So Quebec knows that its rendezvous with the future is a rendezvous with itself, that it will involve a referendum, that it will address Quebec's sovereignty so that Quebec may come into its own as a people.

I would like to say to the Prime Minister that it might happen, perhaps not here in this House but one day—whether I take over the responsibilities I shall be seeking shortly or someone else does—that whoever becomes the Premier of Quebec might face him across the table. I hope that this will come to pass. My personal wish, in the interests of Quebec and of Canada, although I am aware that it is harder to convince Canada of this than Quebec, is that one day a premier of Quebec will find himself across the table from his federal counterpart, precisely for the purpose of discussing political systems.

But I would not want this Premier to stand alone like his predecessors, those who failed, who paid a high personal price and sometimes made Quebec pay a high price as well and caused strong tensions in relations between Quebec and the rest of Canada. Not that we did not send good negotiators. Not that the people who came here to negotiate on behalf of Quebec, as Premiers, were not competent. I would say we sent our best people. No one could be better than René Lévesque to negotiate for Quebec.

But from now on, the situation will be different, because the Premiers who will come to talk about the Constitution and political arrangements will come with a mandate from the people of Quebec. They will not be out to retaliate, to be aggressive, to be negative. No. They will come with respect but confident, with the confidence of a prime minister, a head of state, who has received a mandate for sovereignty from the people. In other words, we will negotiate as equals, and then we will be able to agree, and only then. As long as Quebec comes here as a province like the others, we will never be able to agree, because those who came here and failed when they represented Quebec were not always separatists, as the Prime Minister said. Very often, and I would say in most cases, they were federalists. But success escaped them as well.

Why? Because Quebec federalists are Quebec nationalists, first and foremost. They realize that Quebecers cannot develop their potential unless they do so as a group, and as such they must have the resources and the capability to define their own policies.

I am not saying we will no longer speak to each other. We will have to, all the time. We are neighbours and partners through our history and all kinds of connections. We are practically doomed to talk to each other. That being the case, and I offer this advice in all modesty to the Prime Minister, he will have to be careful not to waste the capital of good will that is left. If we keep tossing resolutions back and forth and discussing the kind of futilities we have before us today, it will create more false hopes and perhaps fuel feelings of resentment. Let us be careful.

• (1635)

Let us call some kind of truce where we can address our primary concerns. I just mentioned what we have to do in Quebec. I do not know when we will be able to come back to this discussion. It may be sooner than the Prime Minister thinks. Who knows? This time we will not let him know one year in advance. Let us create the climate that will have to prevail when we have this real meeting, this real discussion, where we will have to and, for the first time, be able to look realistically and lucidly, but with a chance at succeeding, at defining a new partnership between Canada and Quebec.

Some hon. members: Hear, hear.

Mr. Harper (Calgary West): Mr. Speaker, I rise on a point of order.

Every day, the Prime Minister has to face our questions, including questions on this motion. Could we have a question period for each member who addresses the House? I ask for the unanimous consent of the House and for the consent of the Bloc Quebecois to ask questions following this important speech by the leader of that party, maybe the longest speech of the century. I hope that the Bloc Quebecois will have the courage to accept our questions.

The Speaker: It is not a matter of courage. We have rules in this House. The member has asked for unanimous consent. Is there unanimous consent?

Some hon. members: No.

The Speaker: There is no unanimous consent.

[*English*]

We will continue with the debate. I say this only so that we all understand. The hon. leader of the Reform Party because of the rules will have 20 minutes and then there will be questions and answers.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, today I address the motion of the Prime Minister calling on the House to recognize Quebec as a distinct society within Canada.

Let me begin by reminding the House why we are even considering such a motion at this time. As hon. members know, last month the Prime Minister came very close to losing the Quebec referendum on secession. It is now generally agreed that there are two principal reasons for this.

First, there was no sustained effort made by the federalist forces to make clear in advance of the referendum the terms and conditions Canada would demand in the event of a secession attempt. Thus the separatists were allowed to perpetuate the fiction that a separate Quebec would simply enter into a new and better economic union with Canada. Over 30 per cent of the people who voted yes on October 30 thought they could do so and still retain all the benefits of being Canadian.

The second was the demand for change in Quebec. The demand for real systemic change was grossly underestimated by the Prime Minister and the no side. Rather than countering the separatist dream with a federalist vision of a new and better Canada, the federalists offered the status quo plus administrative tinkering.

It was only in the last week of the campaign that the Prime Minister felt compelled by events to offer something to Quebec which could be construed as change. What he offered was not a new vision of the federalism of the 21st century, nor a realignment of federal and provincial powers, which has been demanded by large numbers of people inside and outside of Quebec.

What the Prime Minister offered were Mulroney leftovers, two items resurrected from the discredited Meech Lake and Charlottetown accords. These were the concept of a constitutional veto for the government of Quebec and a distinct society clause, the subject of the motion before us.

I remind the House that Reform favours a fundamentally different approach to confronting the separatist threat and preserving the federal union. Our approach is two–tracked. On the one hand, we offer a package of 20 changes in the federal system which can be accomplished without constitutional negotiation, changes which strengthen the power of the federal government to preserve the economic union, which strengthen the position of the provinces with respect to the natural resources, social services, culture and language, and which reform federal institutions to make them more representative and accountable.

• (1640)

At the same time, we insist on the development of a Canadian position on terms and conditions of separation, terms and conditions which Canada would insist on if any province actually attempts to secede.

I have vowed as a federal political leader that as long as I have anything to do with it, federalists will never go into another contest with Quebec separatists as ill prepared, as ill equipped and as ill led as they were the last time.

The next time, and it will be the last time, we will fight separatist dreams with a federalist vision of the future and we will fight separatist illusions with the naked truth about what separation from Canada really means.

Therefore I speak as one who fundamentally disagrees with the Prime Minister's strategy or lack of strategy on national unity and who feels that this motion and the other elements of the Prime Minister's Quebec package are backward steps.

Having said this, my colleagues and I have applied ourselves to the Prime Minister's motion to see if there is any way it could be amended to permit the statutory recognition of the historical, linguistic and cultural distinctiveness of Quebec without the negative consequences that have led to the rejection of previous attempts to accomplish the same end.

I have three proposals to make embodied in three amendments. I urge the government to consider these amendments carefully because in our judgment they are essential to giving the Prime Minister's motion even a 50:50 chance of gaining acceptance outside of Quebec.

Our first proposal pertains to safeguarding the equality of the provinces. During the Meech Lake and Charlottetown accord discussions, as many members will remember, the biggest single objection to the inclusion of any distinct society clause for Quebec was that it would confer on the Government of Quebec powers not conferred on the other provinces. In other words, the concern was and is that the distinct society clause would violate the concept of equality of the provinces.

The Prime Minister in his remarks a few minutes ago hastened to assure us this is not the intention of the federal government; it is not its intention to grant Quebec special powers or status by virtue of this motion. If the government really means that, it will have no hesitancy in supporting our first amendment to the motion, the inclusion of a clear statement that nothing in this resolution shall confer on or be interpreted as conferring on the legislature or Government of Quebec any new legislative or executive powers, proprietary rights, status or any other rights or privileges not conferred on the legislature or government of any other province.

This amendment is essential to reconcile the motion before us with the principle of equality of the provinces. This is necessary to get similar types of motions through most of the provincial legislatures.

Our second proposal pertains to safeguarding minority rights in Quebec. One of the legitimate concerns of minorities within Quebec, the English speaking minority, the aboriginal minority and other ethnic minorities, and the Prime Minister made reference to this, is that recognition of Quebec as a distinct society could be used by an overzealous separatist government to diminish their rights, in particular their educational rights and rights to freedom of speech.

The fears of such minorities were aroused on the night of the referendum when the premier of Quebec blamed ethnic voters for defeating the referendum, implying those voters were not part of Quebec's distinct society. The fears of such minorities will be heightened, not allayed, by clause 2 of the Prime Minister's motion because it says Quebec's distinct society includes its French speaking majority but says nothing about the distinct society's including Quebec's minorities.

• (1645)

A few minutes ago the Prime Minister said: "Quebecers who come from other parts of the world are full fledged Quebecers. We have not forgotten them". The reality is that he has forgotten to include them in the definition of distinct society included in clause 2 of his motion.

The Prime Minister will hasten to assure these Quebecers that it is not the intention of the federal government to allow the Quebec government to use any designation of Quebec as a distinct society to circumscribe the rights of minorities. Surely no federalist in this House and surely no Liberal would ever want this distinct society clause to be harnessed to the cause of ethnic nationalism by any Quebec government.

Again, if that is the case, and if the government is sincere in its claim, then it will welcome the second amendment to its motion, namely the inclusion of a clear statement that nothing in this resolution shall diminish or be interpreted as diminishing in any way the rights and freedoms of any resident of Quebec.

This amendment is essential to safeguarding minority rights in Quebec.

Mr. Chrétien (Saint–Maurice): It was in Charlottetown.

Mr. Manning: It is not in here.

A third proposal is to safeguard the integrity of Canada. There is one further change required to the Prime Minister's motion to ensure that it does not reinforce and assist the separatists in the next referendum on separation. The Prime Minister is well aware that for 20 years or more the separatists have been telling Quebecers that because Quebec is a distinct society, therefore it should be a sovereign state. We heard that again today. By affirming the first part of that sentence, which is what the Prime Minister's motion does, the federal government runs the risk of legitimizing the second part of the sentence.

Again, I assume the goodwill and good intentions on the part of the Prime Minister. The Prime Minister will hasten to assure us that it is not the intention of the federal government to allow the separatist Government of Quebec to use the distinct society clause to legitimize the division of Canada. If the government is sincere in that claim, then it will welcome and endorse our third amendment to the motion, namely the inclusion of a clear statement that nothing in this resolution shall deny or be interpreted as denying that Canada constitutes one nation.

[*Translation*]

In conclusion, I urge the Prime Minister to not follow in the footsteps of the former Conservative Prime Minister, who ensured Quebecers that these proposals were acceptable to the rest of Canada, when in fact they were not.

I ask the Prime Minister to tell Quebecers that his motion will not get the support of a majority of Canadians outside Quebec, nor will it get the support of the provinces. Only by amending it will that motion stand a better chance of being approved.

[*English*]

If the government will amend the motion as proposed, Reformers will support the amended motion, notwithstanding our belief that it will contribute little or nothing to the unification of the federation. However, if the government votes down these amendments, if it puts its commitment to distinct society ahead of the equality of the provinces, if it puts its commitment to distinct society ahead of minority rights in Quebec, if it puts its commitment to distinct society ahead of the unity and the integrity of Canada as one nation, then we will vote against the motion and we will encourage every citizen loyal to Canada to oppose the motion as well.

I therefore move:

That the motion be amended by adding immediately after the word "accordingly", the following:

"5. Nothing in this resolution shall:

(i) confer or be interpreted as conferring upon the legislature or government of Quebec, any new legislative or executive powers, proprietary rights, status, or any other rights or privileges not conferred on the legislature or government of any province;

(ii) diminish or be interpreted as diminishing in any way the rights and freedoms of any resident of Quebec;

(iii) deny or be interpreted as denying that Canada constitutes one nation".

• (1650)

The Speaker: Colleagues, of course we are going to entertain questions and comments for 10 minutes. I will take these amendments under advisement and I will return to the House no later than tomorrow's sitting, after I have had a look at them.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I was intrigued by the hon. member's sudden concern for the minorities in Quebec. When we look at the platform of the Reform Party, one of its principal proposals is to repeal the Official Languages Act. As a matter of fact, it is not only to repeal the Official Languages Act but to replace it with a policy whereby Quebec would be for the most part French speaking and the rest of the provinces would be English speaking.

I can recall debating in the official languages committee time after time with the Reform representative on that committee, what I consider to be a very hostile proposal to the minorities in Quebec. It is a geographical type of bilingualism where Reform would recognize, maybe in the city of Montreal, bilingual rights, or in some other small part of Quebec, but for the rest of Quebec it would be entirely French speaking. By the way, it would sell out the French speaking minorities in the other provinces as well.

I am intrigued but not totally surprised by the approach of the leader of the Reform Party today. He seems to jump on any opportunity for political gain.

Does this mean that he is withdrawing his platform proposals to repeal the Official Languages Act and his proposals for geographic linguistic rights to now adopt a policy for all of Canada whereby we will recognize bilingualism?

The Official Languages Act has a balance within it whereby we recognize the rights of anglophones in Quebec and we recognize the rights of francophones outside Quebec, including Ontario, the west and the Atlantic provinces. Is that what he is now proposing or is he simply proposing this provision today for Quebec minorities but tomorrow for something else?

I remind him that this is not an amendment to the Constitution or to the legislation; it is put forward as a formal resolution of this House and a commitment to the Quebec people, but it is not a constitutional amendment or legislation. Consequently, his proposed amendments to the Official Languages Act would be more harmful to the minorities in Quebec than what he is proposing as an amendment to this resolution.

Mr. Manning: Mr. Speaker, somewhere in the hon. member's remarks there were about three questions.

First, we recognize that this motion is not a constitutional motion. We also recognize that senior members of the government have implied that if this is passed by the House it may be imported into the Constitution at a later date. That is why we gave it the scrutiny which we did.

Second, with respect to minority rights, in the area of language the Reform Party advocates more jurisdiction over language being given to the provinces and private associations. That will be more popular in Quebec than the current policy of the current government. The second thing we say however is that the sole role of the federal government should be the protection of the rights of minorities from discrimination on the basis of race, language and culture.

• (1655)

Our argument is that under our language policy the federal government is no longer both a player and a referee in the language area. It is just a referee and it can provide more protection by playing that role.

Third, if the hon. member is sincere, which I think he is, in wanting protection for the rights of minorities in Quebec, that would surely lead him to urge his colleagues to support at least the second of these amendments we have put forward.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I am very glad to hear the hon. member say he supports minority rights. However, people should be judged not by what they say but by what they do.

The member's party has held a position which has now been proven to be against the charter of rights, which is not to allow turbanned Sikhs in the RCMP. His party stood against that group to say they should not be allowed in the RCMP. Recently in the courts it was ruled that to keep them out would be against the charter of rights.

I would like to ask the leader of the third party whether he would support that ruling in the courts and whether he supports turbanned Sikhs in the RCMP.

Mr. Manning: Mr. Speaker, the question has nothing to do with this debate here today. Our point is the Reform Party is committed to the defence of human rights and the use of the power of the federal government to do that.

We argue that when the government gets to be both a player and a referee in a policy area, whether it is multiculturalism or linguistic policy, what suffers is its capacity to be the referee. Again I would say to the member if he wants to not just talk but to act, if he is really concerned about minority rights, he will support the second of these amendments we have put forward.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, yesterday and today the third party and the leader of the third party talked about our proposal on the regions of Canada. We proposed four. He has said there should be five.

Is the fifth region B.C. or Alberta?

Mr. Manning: Mr. Speaker, it is B.C.

The other point the member misses which will come up when we discuss the bill, is that the bigger issue is giving this constitutional veto to the people or the government. We know that all the members here were embarrassed by the flip–flopping of the Prime Minister on that subject. One day he told this House that he meant to give that veto to the people of Quebec. Then he said yesterday that no, he was going to give it to the Government of Quebec. He was going to give a separatist government a constitutional veto over the Constitution of Canada.

If the hon. member wants to ask questions about that bill, he should direct them to the Prime Minister.

[*Translation*]

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, you may rest assured I am not rising to sing. As a French Canadian, however, I am delighted to speak at this historic moment on the motion of the Prime Minister recognizing that the people of "la belle province" form a distinct society within our country and ensuring that our legislation and our actions will be guided by this reality.

• (1700)

A few weeks ago, Canadians from sea to sea showed their support for Quebec with a demonstration in Montreal and a number of other activities.

Our Prime Minister on our behalf and on his own, as a proud Quebecer and an honest Canadian, is confirming his commitment to recognize Quebec's distinct society. I applaud him on my own behalf and on behalf of the people of Madawaska—Victoria and especially on behalf of all the people of Canada who believe in the strength, determination and positive vision of his leadership for the future of our country and of our children, wherever they may be in this great and wonderful country.

During the referendum period, I canvassed people's homes. I also listened to the fine emotional speeches devoid of truth given by the separatist wizards in Quebec. How can anyone be trying, in a democratic and modern society, to lull Quebecers to sleep as in the time of Duplessis?

The PQ even spent millions on hidden studies to see if they could not come up with an extra dose of sleeping tablets so Quebecers would swallow all their speeches.

From his emperor's throne, the leader of the Bloc even dared tamper with the freedom of the women of Quebec—ah, white only and preferably old stock—telling them they should be pregnant and in the kitchen. I can assure you that if such a statement had been aimed at women in New Brunswick or Canada, the Canadian society as a whole, not just women, would have been up in arms and would have the leader, regardless of his political allegiance.

A while ago, I listened to the leader of the opposition, the leader of the Bloc Quebecois. I must say that, if I were in a position to give him an award, a trophy for his separatist theatrics, I would do it right now in recognition of the drama he added to the debate this afternoon.

I noted, among other things, that this great actor talked about the prime minister doing an about face concerning Quebec as a distinct society. This great actor who likes to talk about other politicians doing about faces should look at his own track record regarding his political allegiance over the past 20 years. When it was opportune to be a federalist, he espoused the federalist discourse, but when a separatist discourse became more opportune, he went that way.

The past 20 years in the life of this great actor will result in his being remembered in history books in Quebec as the number one actor in terms of the Quebec people and its future.

• (1705)

I can understand the total confusion of the Bloc Quebecois leader who, today in this House, must decide whether or not he will support the recognition of Quebec as a distinct society, at a time when he is making grand political speeches as he prepares to embark on another great adventure, heading for political life in Quebec. I can see his confusion.

Honestly, does he really believe in the distinct society for Quebecers? Does he believe in it or will he try once again, for personal political gain, to trick the Quebec people into following him?

I would also like to remind the leader of the Bloc that, when they talk about respect, when they ask for respect for the Quebec people, naturally they must also respect all of the Canadian population, people like me, a French Canadian living in New Brunswick, not in English speaking Canada like the grand master of this terminology, former Prime Minister Mulroney, taught them repeatedly. He also spoke of tearing up the Constitution. I must admit he is a good pupil of the former Prime Minister of Canada.

Today's leadership will no doubt be followed by that of provincial premiers, who will certainly look after their own interests first. I would like to remind them that there must be some kind of basis for these interests, a foundation if you will. Since the foundation of our country in 1867, Quebec has been recognized, not in so many words but by institutions; just read the 1867 Constitution. Each pillar of the foundation supports our country, Canada, and is part of it.

My Quebec roots go back to 1642, when my ancestors settled in the Boucherville region and I am proud to be a French Canadian like the more than a million others all over Canada who feel close to the seven million Quebecers and share their pride.

I am one of those who want to build and not destroy, one of those who welcome the global challenges of the year 2000. We should join together, not go our separate ways like some egocentric politicians are preaching.

I did not sing, even though my heart and my head agree with this motion.

The Deputy Speaker: I am sorry, but your time is up.

Do I have the unanimous consent of the House to give the member a few minutes more?

Some hon. members: Agreed.

The Deputy Speaker: Very well. You have two more minutes.

Mrs. Ringuette–Maltais: Mr. Speaker, I thank you and I thank my colleagues for this expression of great democracy in the House.

I thank our Prime Minister who fulfilled his commitments and those of Canadians from all across the country. Contrary to what these horror story tellers and these wizards have said, we did in fact act with respect and honour before, during and after the October 30 referendum, whether or not it suits these separatists who would like to swindle Quebecers out of a promising future within Canada.

• (1710)

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I listened very carefully to the comments made by the hon. member from New Brunswick, and I must say that it is true, that we on this side are very proud. We are very proud of our leader, because our leader has the courage to tell the truth in this House. All Bloc members are proud of their leader because, during the election campaign, he said things that were true, put historic events in their context, and made us proud of being members of the Bloc Quebecois.

The hon. member told us that she wanted to build and not to destroy. The goal of the Bloc Quebecois, of all Quebec sovereignists, is also to build, but to build Quebec, our homeland, our country, so that it can fulfil our aspirations. At the same time, we want to work with the rest of Canada.

We have proposed a formula for partnership with the rest of Canada. It was extraordinary. The Fathers of the Canadian Confederation, who represented Lower Canada, would tell us that we are right, over 120 years later, to propose changes in North America north of the U.S., because the current system no longer works.

The Prime Minister's proposal is a case in point. He cannot even approach his provincial counterparts to try to get something enshrined in the Constitution. All they are offering us is a motion of the House that is practically meaningless, that is not worth the paper it is printed on.

It is important, I think, to weigh our words in this House, to show Quebec a little respect. Quebec was one of the four provinces that founded this country, but the time has come to move on. The rest of Canada should understand this.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I did not find a question in what the hon. member opposite said but, in his remarks, he complained about the Prime Minister's unwillingness to entrench the principles of distinct society in the Constitution, when the Leader of the Opposition himself is on record as saying that he did not want to deal with constitutional changes any more.

A minimum of consistency is indicated, do you not think? Public statements cannot be made to mean different things from day to day, depending on the circumstances. Our colleague from the Bloc Quebecois also indicated that he was in favour of a partnership with Canada. The Canadian federation is indeed a

partnership between the ten provinces and the two territories. There is no bigger and better example of partnership than what we have right now.

Take the European Community for example. These countries are in the process of establishing a federation like ours because they have seen how successful this kind of partnership is. So, when I hear—

An hon. member: Come on now.

Mrs. Ringuette–Maltais: I guess some members of this House cannot take the truth when they hear it. When I hear members say that the system does not work—I would like the hon. member to comment on this—and talk about areas of responsibility and jurisdiction—

• (1715)

Personally, as a New Brunswicker, I find that totally unacceptable. I cannot understand that the people of Quebec would go along with that. Dropping out of school is a serious problem in Quebec in an area of exclusive provincial jurisdiction. This is totally unacceptable.

At a time when the whole world is moving toward a major achievement in ensuring education for people of all ages, wherever they live, Quebec is stalling. And this is an exclusive provincial jurisdiction.

As for what the hon. member opposite said, I think he should take a good look at his government's policies.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is with great conviction that I support the Prime Minister's motion to officially recognize that Quebec is a distinct society within Canada, because of its language, culture, tradition and French speaking majority.

I am deeply attached to Canada. But I also freely chose to live in Quebec. I chose to do my best to promote Quebec's society and quality of life. I chose to raise my children in Quebec and have them benefit from what is truly the heart of Canada's history, culture, heritage and duality.

I live in Montreal, the urban gem of Canada. In spite of all the obstacles, constitutional and others, in spite of all the attempts to divide its French and English speaking communities, Montreal remains a city where the Canadian duality is felt daily, but in great harmony. It is a place where francophones and anglophones live and work in peace and real harmony.

Montreal is unique because of its cultural and linguistic duality, but also because of the contribution made by so many other communities which have given Montreal its unique character as a cosmopolitan, friendly, warm and extraordinary city.

I had the privilege, after a business career, to enter politics and begin my political life in Quebec's National Assembly. I wanted to do my best to make a contribution and help Quebec fulfil its goals.

While an MNA, I worked with two persons who are now members of this House, the hon. member for Beauharnois—Salaberry, and the hon. member for Roberval. We did not agree and we did not see things the same way, but we all worked to promote the well–being of Quebecers, because we felt that it was our common objective.

It was during my term as a member of the Quebec National Assembly that I had the opportunity to defend the Meech Lake Accord, to vote for the Meech Lake Accord, which was supposed to include for the first time in the Canadian Constitution the recognition of Quebec as a distinct society, which would make Quebec a part of the Constitution of 1982.

I listened to the leader of the Opposition with a great deal of respect, with all the respect he is due, as he explained to us how and why he and the Parti québécois had not supported the Meech Lake Accord, why they had voted against the Meech Lake Accord and, after that, against the Charlottetown Accord.

• (1720)

Despite all these explanations, I am convinced that the fundamental reason is that, whatever the accord, whatever the proposal that is made to either party, the Parti québécois or the Bloc, which are fundamentally dedicated to Quebec's independence, will reject it. Whatever the proposal that is put to the sovereignists in order to make Canada work better, to rebuild Canada, to renew Canada, it is logical that these parties, the Bloc Quebecois and the Parti québécois, will reject it because, fundamentally, as the leader of the Opposition himself emphasized before the media, he is not interested in receiving proposals because, he said: "I am a sovereignist."

That is fair enough, but they should not try to delude us into believing that they considered these proposals objectively because, fundamentally, they do not believe in them, they do not want them.

I found it quite ironic that the Leader of the Opposition should give lessons to the Prime Minister telling him: "While you will take care of the Constitution, I will be doing something else, I will be putting Quebec's financial house in order". How ironical. We all know very well that the leader of the Bloc Quebecois' purpose when he created this party involved the constitutional issue of separating Quebec from Canada.

Since his election, before his election, every day in the House of Commons, the constitutional issue has been the principal subject of debate. The Parti Quebecois, the Bloc Quebecois' ally in Quebec City, naturally spoke about the constitutional issue and the separation of Quebec throughout the electoral campaign. That is what happened before and during the election of the

Parti Quebecois and throughout its life in government up until the referendum. All they talked about was the Constitution, separation and independence.

Today, the Leader of the Opposition has the gall to tell us: "We will set the Constitution aside and we will deal with public affairs". Yet, it was the Parti Quebecois government that said, during the election campaign, it would choose another way of governing, of managing public affairs more efficiently. All that has happened in Quebec, all that the Bloc Quebecois has done since its election, has been to talk about the independence of Quebec. According to them, nothing is working in the federal government or in Canada, naturally.

Every day in the House, it is the same thing.

[*English*]

Montreal, the economic motor of Quebec and 50 per cent of its population, is severely sick. In many quarters of Montreal the economy is dying. Investment is drying up. Leases are being curtailed or cancelled. Anybody who knows and follows what is going on in Montreal today will say that it is a sick city. The economy of Montreal is in desperate straits.

Meanwhile, what have we done? We have spent time and money on commissions, studies and propaganda instead of looking after the well–being of the citizens of Quebec. Today we are told that at last this is what they are going to be doing.

[*Translation*]

I will vote with conviction for this motion, because I firmly believe that the place of Quebec, which is the heart and soul of Canada, is within Canada and that its destiny and that of Canada are intertwined forever. That is why, on the day the vote is taken, I will proudly stand and vote with conviction in favour of the prime minister's motion. I invite all hon. members to give it strong support.

• (1725)

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I know this is a solemn day and, if I may say, it is the day of awakening for Canada. This awakening has been triggered by the resolution introduced by the Prime Minister. I must admit that I find it rather amusing. Since our arrival here two years ago, we have been called all sorts of things. The favourite nickname given to us is separatists, but after two years this government finally gave birth to this resolution which is meaningless, in our view.

Why is this resolution meaningless? Why are the members opposite surprised by our reaction, by our position on all this? I am astonished. Actually, I think I understand. When the Prime Minister says he does not listen to Radio–Canada because he wants a good night's sleep, he has deprived himself of a good source of information. If the Prime Minister had listened to all the media without distinction in Quebec and if he had read all of the newspapers, he would already know that Quebec has already stated loud and clear what it wants.

What we see here today is no response to that. And one should not be surprised. Some of my colleagues from the Atlantic region understand pretty well what I mean because I have been telling them for two years what sovereignty is all about and what the difference between a sovereignist and a separatist is. This is the period for questions and comments, but I think I will focus on comments tonight.

I have been explaining to them for two years the difference between a sovereignist and a separatist. Mr. Speaker, you were here when the issue was raised in this House and I told the House what Quebec wants to be, because if you want to inform people you have to repeat the message people wish to convey. This is why I had explained that a sovereignist is someone who is able to assert and accept himself.

I believe they understood in part what it means to be a sovereignist or to assert oneself. My honourable colleagues have even used the expression in a bill, which says that Canada wants to affirm its sovereignty over its oceans. I have nothing against that, but we have been blamed for two years for using the same expression.

What are we to think when the members opposite try to scold us? We have been told that the regional commissions on the future of Quebec were phoney. They have once more deprived themselves of an incomparable source of information. Mr. Speaker, I can see that you are getting impatient. I will now stop speaking but first I wish to say that I will continue my colleagues' education on what Quebec really wants. May I add that they really did not choose the right way today.

Mr. Lincoln: Mr. Speaker, I will be brief. First of all, perhaps the member should talk to his leader, who said that there was no difference, describing himself as a separatist in Washington. I think that, in his mind, the words sovereignist and separatist had the same meaning. He boasted about being a separatist in Washington and was very proud of that. So I thought there was no difference, taking the Leader of the Opposition at his word.

The member talks about Quebec as if he was speaking on behalf of all Quebecers. Let me remind him that, on referendum day, a little over 49 per cent of Quebecers voted in favour of his option, but the majority voted for the other option. So it seems to me that the majority of Quebecers have stated their position. If it changes some day, then so be it. However, for the time being, what counts is that we have won a totally democratic referendum despite a totally vague question.

We won a referendum in which Quebec clearly chose to follow the lead given by the Prime Minister, which is to have recognition of the distinct society, to give a veto to Quebec and to sort out jurisdictions. That is what we will do, and that is what we are in the process of doing.

* * *

POINTS OF ORDER

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell,Lib.): A point of order, Mr. Speaker.

The Deputy Speaker: It being 5.30 p.m. this is now private members' time. Perhaps there is a compromise that if we allow this point of order we can add time to private members' hour so that members will not be deprived of any of their time.

Some hon. members: Agreed.

Mr. Boudria: Mr. Speaker, as members know, an amendment to the main motion was introduced by the Reform Party a little while ago by the hon. leader of the Reform Party.

I have had an opportunity to examine the motion and I want to briefly indicate to the Speaker that I contend the motion is irreceivable and out of order. The motion confers—

An hon. member: That is debating the motion.

Mr. Boudria: I am not debating the motion. I am challenging the receivability of the motion. I understand Mr. Speaker will be ruling on it tomorrow morning and it is customary for us when a motion comes into the House to argue whether—

The Deputy Speaker: As indicated before, this time will be added to the private members' hour. The hon. member cannot be interrupted on a point of order. When he is finished I will hear other members on the same point of order.

Mr. Boudria: Mr. Speaker, the amendment in question refers to conferring on the legislature or the Government of Quebec new executive powers, propriety rights and so on. It also refers to privileges not conferred on the legislature or the government of any province; in other words, provinces including Quebec but possibly other provinces as well.

Our parliamentary precedents, Beauchesne's sixth edition, page 176, citation 579 says:

> (1) An amendment setting forth a proposition dealing with a matter which is foreign to the proposition involved in the main motion is not relevant and cannot be moved.
>
> (2) An amendment may not raise a new question which can only be considered in a distinct motion after proper notice.

It is on those two points that I believe the amendment is irreceivable. I have indicated that it introduces two new concepts in subsection (i) which are not referred to in the original motion.

Mr. Speaker will also be guided by the decision of 1923 when the Speaker of the House decided that the report of a parliamentary committee as a prerequisite to accepting a particular initiative was a new concept because it was not in the main motion and was therefore out of order. Similarly, subsection (i) of this amendment is out of order.

[*Translation*]

Second, I want to point out that, on October 16, 1970, Mr. Baldwin moved the following motion: That the motion be amended by striking out all the words after "that" and adding the following: "the government should forthwith introduce legislative proposals to meet the conditions referred to in the motion".

That was a totally new element which was not in the original proposal. Consequently, it was out of order.

For these two reasons, I argue that, when you make your ruling tomorrow morning, it will be to the effect that the amendment proposed by the leader of the Reform Party is out of order.

• (1735)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, obviously you cannot rule on this immediately. This is why the opposition whip is asking you to do so tomorrow morning and to ponder the issue this evening.

I submit that the point of order should have been raised before 5.30 p.m., during debate on the motion, and that if we agreed to hear that point of order, it was not to prolong a debate which could no longer be extended. Otherwise, we will never again get unanimous consent to hear a point of order outside the period provided for such a debate.

I submit that the point of order dealing specifically with the debate should be raised tomorrow, or the next time we discuss the resolution. I also submit that the Speaker in the Chair will not be able to make a ruling, because he must ponder the issue. You can no more do it immediately now than he could do it immediately then, otherwise it would be too easy to resort to the tactic. They want to save time and raise a point of order outside the period provided and ask for your ruling on it tomorrow morning. That is too soon.

I submit that we should follow up on the point of order. We know that there is one coming, but we should act as if we had not heard it, and entertain it in the period reserved for this debate. Otherwise, we will be getting around the rules for the sake of it and also to achieve indirectly what cannot be done directly.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, while I have some sympathy with what the whip for the Bloc Quebecois has said, you have allowed a discussion of this because of the request made by the government whip and I would like to respond to his comments.

I assure the House that not only did we verify the contents of the motion but it was reviewed by the table prior to presentation by the hon. leader of the Reform Party.

The chief government whip alleges this is not relevant to the motion before the House. Relevance under citation 568 of Beauchesne is a criterion. I will explain very briefly why the amendment is relevant:

> (5) Nothing in this resolution shall:
>
> (i) Confer or be interpreted as conferring upon the legislature of the Government of Quebec, any new legislative or executive powers, proprietary rights, status, or any other rights or privileges not conferred upon the legislature or government of any province.

Point three of the motion states "the House undertake to be guided by this reality", that being the reality of Quebec's distinct society.

Point four states that the House "encourage all components of the legislative and executive branches of government to take note of this recognition and once again to be guided in their conduct accordingly".

Since we are instructing not only the House but the legislative and executive branches of the government to be guided in their conduct, it is clear they have an unlimited range of options in terms of how to implement this guidance. Subsection (i) of the amendment simply refers to a specific route they may take that shall not be considered. Therefore it is highly relevant to the motion.

Under citation 569 of Beauchesne adding words to a motion is an acceptable method of adding additional relevant material. Citation 567 instructs that these amendments can be made to increase the acceptability of a motion. Once again, since the stated intention of the leader of the Reform Party is to make this acceptable, not only to the members of the House but to a broader section of Canadians, it is perfectly in order.

I hope the government will make every effort to accommodate all Canadians in what is, after all, said to be a unity resolution. That would be a wiser use of time than trying to construe that the equality of provinces, the equality of citizens or the very integrity of the country is out of order on the floor of the House of Commons.

The Deputy Speaker: I thank all three hon. members for their interventions. I agree that it might have been better to deal with this point of order during the debate rather than in private member's hour. However, the Speaker is seized with the matter. The interventions, having heard them tonight, will be available in the blues and the Speaker will be able to consider the interventions of all three members when he makes his ruling tomorrow. That is one of the reasons the Speaker was anxious to hear the interventions tonight.

It is certainly now 5.30. The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA WATER EXPORT PROHIBITION ACT

Mr. Nelson Riis (Kamloops, NDP) moved that Bill C–202, an act to act to prohibit the export of water by interbasin transfers, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to see so many colleagues in the House during this private members' hour. There is a lot of interest in this topic and I indicate my appreciation for that and also my appreciation to my hon. colleague for Regina—Lumsden for seconding this motion. I know he has had a longstanding interest in the subject material that is embodied in Bill C–202, as well as many other members of the House who over the last number of days have contacted me with an indication of their support, that they will endorse the principle of this bill at second reading and will vote in favour of it.

If this bill passes it would prohibit any company or any organization from diverting water from a Canadian river basin into, in this case, an American river basin for export purposes.

One might ask what prompts this bill at this time. A few days ago one of the officials responsible for the environmental aspects of the North American Free Trade Agreement made a speech in Montreal.

He said high water consumption and pollution could trigger disputes within the North American Free Trade Agreement. He urged Canadians to better manage their water resources and said that while Canada has sovereignty over its water, the resource is also a global treasure, much the same as the Amazon rainforest is a global treasure, that the world per se depends on it. Implicit in his remarks was that the North American continent depends on Canadian water.

He closed with this:

> Pressure on Canada to increase exports to the United States will mount as scarcity becomes more widespread. Canadians therefore have an interest in encouraging their American neighbours to better manage their water too.

As late as November 9, 1995 in Montreal one of the key representatives to the NAFTA warned us as Canadians that a water crisis is pending in the United States and that the United States is obviously considering Canada as a source to relieve this pressure in the future.

We also want to acknowledge that water diversion schemes per se are not new. These are concepts that have been around for some time. We are well aware of the grand canal project enthusiastically promoted by Simon Reisman, one of our key trade negotiators with the United States.

Another is the North American water and power alliance, commonly called NAWAPA; coming out of California a massive scheme to divert western Canadian rivers into the southwestern United States and northern Mexico.

There was also a project to pipe vast quantities of Great Lakes water to the high plains states in the southwest to replete their depleted aquifer, a 1984 scheme. A few years later there was a proposal to feed New York City's vast population with Lake Ontario water. A few years later came a concept involving the blasting of a 400–mile canal from Lake Superior to the Missouri River in South Dakota at a cost of $30 billion.

There was also a proposal to construct a canal from Lake Erie to the Ohio River, again to move water and shipping between the two countries. There was also a federally funded plan to drill a hole in the bottom of Lake Michigan and drain the water through bedrock layers for southern Illinois cities.

• (1745)

I have a list here. I could go on and on, but I make the point that there has been a long list over particularly the last two decades, when water diversion was an entrepreneurial interest by some very creative people, primarily to move Canadian water to the United States.

Anyone who has travelled in the southwestern U.S. and northern Mexico will acknowledge that the water sources there are presently being used to their maximum. The Colorado River often dries up before it actually reaches the ocean because all the water is used up. Also, one could wade across the Rio Grande River at El Paso probably without even getting their knees wet, which indicates that massive river system is exclusively used for domestic, agricultural, and industrial water needs.

We acknowledge that virtually all of the major aquifers in the southwest United States and northern Mexico are being depleted on a daily basis. When one travels through the area and talks to people who are responsible for water resources for the future, virtually everyone assumes that Canada will one day be their salvation, that Canada's fresh water, which people in Mexico and the United States assume is being wasted, will be diverted one way or another for use in the southwestern United States and northern Mexico.

Major industrial development, agricultural expansion, and population increases are occurring in that southern sun belt. There has been vast industrialization of Mexico, particularly in the maquiladora zone, where just in the last few months hundreds of new industries have started up, all with some need for water. The case is clear that increasingly there will be a need, much earlier than anticipated even a few years ago, to obtain vast amounts of water. I can say that our American friends to the south almost exclusively look to Canada as a source for that water to make up for their shortfall.

I think it is fair to say that over the last couple of decades the hope was that this matter would go away. All levels of government had not taken any decisive action up until very recently in the hopes that this was a problem that hopefully would never occur. I refer particularly to the governments of British Columbia and Ontario—there may be others, but I am not familiar with them tonight—which passed legislation in their provincial legislatures banning exports of water from their provinces.

We have to acknowledge that there are two levels of government involved in the management of water resources in Canada. Under the Constitution Act the provinces exercise direct control over many aspects of water management within their boundaries. Water is a natural resource and provincial governments have jurisdiction over it within their own boundaries. They are therefore able to legislate in the areas of domestic and industrial water supply, pollution control, hydroelectric power development, irrigation, recreational use of water, et cetera.

However, again because of the Constitution Act, the federal government has jurisdiction over inland and ocean fisheries, including their protection and particularly the protection of river basins. In addition, Parliament has the residual power to legislate for peace, order and good government of the country, including the regulation of trade and commerce. The federal government is responsible for conducting relations with other countries, which is extremely important with respect to water because so much of Canada's water resources are in boundary water basins.

We basically have two areas of jurisdiction: provincial jurisdiction for use within the province; and because it could become a matter of international trade and because international trade and commerce is a federal responsibility, there is a need for the federal government to become involved in this as well.

As I have said, some provinces have taken the only action at their disposal and have passed legislation prohibiting this type of interbasin sale of water. My thesis would be that may be fine and dandy, but the federal government must also act. Some people have said that there is a federal policy. Some years ago, back in 1987, Canada tabled a water policy, which was essentially a statement of what the government would like to do in the future. It has no legislative authority. There are no regulations or laws or statutes attached to it. It is simply a policy and nothing more. Part of that policy states that "the Government of Canada will take all possible measures within the limits of its constitutional authority to prohibit the export of Canadian water by interbasin diversions".

• (1750)

At the time I was in the House and I thought we were finally going to make some headway in this area. I was absolutely thrilled some months later on August 25, 1988 when Bill C–156 was tabled in the House. It was entitled the Canada Water

Preservation Act, an act to prohibit any export or diversion of boundary waters for the purpose of export. We thought we were finally going to have legislation passed in the House that would indicate the will of Canada in this area. Unfortunately, Bill C–156 died on the Order Paper and it has never been reintroduced. Today we do not have any federal legislation that would prohibit the export of water from Canada in terms of interbasin transfers to the United States for eventual sale into Mexico. That is the purpose of Bill C–202.

Part of the motivation for this came from a number of schemes, one from my own constituency, namely on the North Thompson River. This scheme was intended to divert about 50 per cent of the water flow of the North Thompson River into the Columbia River basin, which would eventually travel through various water basins in the United States for eventual sale in the Los Angeles area. Since this scheme was proposed formally to the provincial government in British Columbia, people obviously have opposed it in light of the fact that there is an absence of federal legislation. Of course they are concerned that NAFTA opened the door for this type of enterprise, which I will discuss in a moment.

Many communities rallied quickly. Over the past few months I was able to table in the House 123,000 names of people from a variety of communities throughout British Columbia and various parts of Canada but particularly from the communities of Kamloops, Heffley Creek, Raleigh, Westsyde, Barrière, McLure, Avola, Vinsula, Clearwater, Black Pines, Chu Chua, Birch Island, Blue River, Louis Creek, Whispering Pines, and many others within my constituency, to say nothing about cities, communities, and rural areas throughout all of British Columbia, much of Alberta, and other parts of western Canada. There has been an overwhelming negative reaction to this proposal.

There have been times when people have said that NAFTA protects us from this. I want to reject that. NAFTA includes water as a good under the terms of the agreement. I would emphasize the word "good". We could also use the term "commodity". Article 102 of NAFTA sets forth the objective of the agreement "to eliminate barriers to trade and facilitate the cross–border movement of goods and services between the territories of the parties, to increase substantially investment opportunities in the territories of the parties, and to establish a framework for further trilateral, regional, multilateral co–operation to expand and enhance the benefits of this agreement".

Basically it says that the purpose of NAFTA is to eliminate barriers to trade in goods. Water is a good. Therefore, fundamentally this is one of the purposes of the North American Free Trade Agreement.

It goes on to describe this more accurately. It is important to take a moment to do that. Goods are defined in article 201 of NAFTA as products that are understood in the General Agreement on Tariffs and Trade, or now the World Trade Organization. This means that any good covered by a GATT tariff heading is subject to all the provisions of the agreements themselves unless explicitly excluded.

A number of areas in NAFTA were excluded specifically. Raw logs, beer, and two or three other items were mentioned specifically as being exclusions from the North American Free Trade Agreement.

An hon. member: What about water?

Mr. Riis: Water was not mentioned. The evidence has shown that water was never part of the discussions. The negotiators now have admitted that. The politicians involved in the negotiations have said that water was never even mentioned in any serious way.

• (1755)

Therefore, to understand the basis for the inclusion of water in the trade agreements one must first look to the relevant section of the harmonized commodity coding system of GATT. The harmonized commodity coding system for classifying goods for customs tariff and other purposes adopted by the GATT include the following: "2201: It includes waters, including natural or artificial mineral waters and aerated waters not containing sugar or sweetening material nor flavoured, including ice and snow". It then goes on to article 2201(90) and lists all other water.

Let me provide a clarification of this harmonized commodity coding system. The GATT harmonized commodity description and coding system explanatory notes were adopted by the GATT signatories. The explanatory notes state the following: "This heading covers ordinary natural water of all kinds, other than sea water. Such water remains in this heading whether or not it is clarified or purified".

I could recite a whole number of these subsections and the technical aspects of NAFTA, but fundamentally it states that water, under the World Trade Organization and under NAFTA, is considered a commodity or a good. This obviously causes people a great deal of concern.

I think it is fair to say that at a time when NAFTA opens the door to this type of export and knowing that we have to treat, as a result of NAFTA, American and Canadian entrepreneurs on a level playing field and that we cannot discriminate against Americans in favour of Canadians, since Canadians right now are diverting water within the country, exporting water, and selling water in a variety of forms, an American entrepreneur can now use NAFTA and come forward and do the same. They could export water from the North Thompson River in British Columbia to the Los Angeles basin.

I think it is also clear in international law. I am not an international lawyer, but I have talked to many of them. They say that if it comes to a dispute in this area, provincial legislatures will not have much impact. Even national legislation will not have much impact, although this is what we are doing tonight. The provisions of the international trade agreement between three sovereign nations will be paramount if there is a dispute. Of course a dispute settling mechanism panel will take into consideration that the three signatories to the North America Free Trade Agreement have agreed, as per the schedules I have indicated, that water is a commodity, just like coal or codfish or wheat or anything else, to be bought or sold among three countries.

For that reason and to give us some influence at that international dispute settlement mechanism table when the time comes, I think we should pass this legislation to very clearly indicate where the people of Canada stand on this issue.

For Canadians water is something special. I think we all agree that water is a commodity unlike cod or timber or nickel or whatever. It is virtually like blood itself. It is the life of Canada. Water is something very special in the Canadian psyche.

I urge my colleagues to pass this legislation in order to send a very clear message that this is where Canada stands.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I would like to congratulate the hon. member for Kamloops on this bill concerning our water resources, which are so obviously valuable for our communities and all of Canada.

We wholeheartedly share the hon. member's goal to conserve our water resources and to keep a tight control over the development of these resources. But at the same time, with all due respect, we think that the hon. member's approach is too narrow, and that the whole issue of water resources should be looked at in a much more comprehensive and integrated way.

We think the whole issue should be looked at in the broadest context possible.

• (1800)

[*English*]

Water is our most precious resource. We have the greatest freshwater reserves of the world. It behoves us to use them wisely. Our jobs, our economy, our quality of life, our environment, our farming and our forestry depend on water. All other resources depend on water for sustenance.

It is clear that we have to control our water exports. At the same time we have to do more than look at interbasin transfers or interbasin exports. For instance, today a large part of the water exports are being carried out through supertankers which load water from our coastal areas, lakes, streams and rivers, and carry it to other parts of the continent and beyond. We have to look at that type of export. We also have to look at the draining of water resources such as the mining of our groundwater reserves that might go southward.

I agree with the content of Bill C–202. It is in sync with the present water policy of the federal government which opposes water exports through interbasin transfers. We should look at the whole question of water in a formal, comprehensive manner, looking at not only the exports themselves but the use of water, water conservation and conception, the impacts of the use of water on ecosystems generally and the impacts of various processes such as industrial manufacturing and others on our water. We must also take into account the jurisdictional question, the input of provincial and municipal governments that deliver our water and have much to do with the retailing of water to Canadians from coast to coast.

The government has been looking at the water issue for some time now. For some 10 years there have been consultations and workshops. We have decided to accelerate the process. We are reviewing our water policies and our water legislation. Throughout next year we will consult broadly across Canada to find out from Canadians and various levels of government that have a clear interest in and responsibility for water issues how we should deal with the question of water comprehensively, including the key question of water exports.

We fully back the principle of the bill. At the same time our decision is that a much more comprehensive approach has to be taken. We want to look at the full range of water exports, including supertankers and the mining of groundwater. We do not want to limit the study and future legislation to the question of exports. We must treat water issues much more broadly, look at an ecosystemic approach, treat water as the most precious resource of the 21st century for us and for generations that follow.

To our aboriginal people water is the essence of life. They see streams, lakes and rivers as the veins and the arteries in the body of mother earth. They say that the cleaner the water flows, the cleaner the arteries and the veins in the body of mother earth. They also say that the healthier the veins and arteries, the healthier mother earth.

• (1805)

I thank the member for Kamloops for having brought the subject forward and enabling us to discuss it. I commit myself to the issue being looked at very broadly by the government in an overall consultation next year which hopefully will lead to comprehensive legislation on water for Canada.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I am pleased to speak about the bill introduced by my colleague from the NDP, an act to prohibit the export of water by interbasin transfers.

The purpose of this bill, introduced by the member for Kamloops, is clear from the title: to prohibit the export of our water by interbasin transfers.

Many questions come to mind, which are not answered in this bill. These questions occurred to me after I read an article by Louis–Gilles Francoeur, published yesterday in *Le Devoir*. Its title is rather instructive. It is a question: "Scientists' recommendation: fresh water under federal control?"

The journalist was referring to the report by the Canadian Water Ressources Association and to the Canadian Global Change Program, which recommends that the federal government get involved in managing fresh water resources, especially by taking over control of the main hydrographic basins, such as the St. Lawrence and the Great Lakes.

This report, published in August under the auspices of the Royal Society of Canada, suggests that the federal government review its 1970 Canada Water Act in terms of the new outlook and the new circumstances in this area.

The bill presented by the member for Kamloops is similar, since it suggests that the federal government get involved in the export of its water resources.

I will now go back to the report, which Mr. Francoeur quotes extensively in his article. It says: "The way the situation is evolving, management of fresh water, a provincial resource— again, a strictly provincial resource— could become a constitutional issue, like many other environmental management issues, for that matter. Water resource management is a strategic issue, particularly in Quebec, considering the importance of hydro–electric power".

In light of this quote, one can clearly see that fresh water and the management of this resource is under the provinces' jurisdiction. I do not know if the member for Kamloops consulted the authorities in his province, British Columbia, before introducing his bill. I am sure his province would not agree to give up this jurisdiction. In fact, if his province, or any other, decided to export water by interbasin transfers, could they not do it since it is a matter of provincial jurisdiction?

I cannot see how the federal government would once again intrude on matters of provincial jurisdiction. We know that it is a habit dear to the Liberals, especially with regard to the environment, but for a New Democrat to get into the fray, asking the federal government to put its big fat paws into his own province's business, is beyond me. I cannot see what the member is trying to do with his bill. To protect water? To conserve water? These are matters of provincial jurisdiction. Does the member not trust his provincial government in this respect?

As a matter of fact, his province, the member will correct me if I am wrong, made its position very clear with Bill C–9, The Water Protection Act, tabled by the minister Moe Sihota. I would like the member for Kamloops to tell us more about this piece of legislation. Right from the start, minister Sihota stated his intentions on this matter.

In a press release issued on April 27, 1995, Mr. Sihota said, and I quote:

[*English*]

The key is for the province to have control over that development, not the federal through NAFTA or the United States.

• (1810)

[*Translation*]

I believe it is quite clear. Minister Sihota wants to deal with water himself because it comes under his jurisdiction, "not the federal", as he said so well in his press release .If the Environment minister of his own province says that he wants control over this matter and is telling the federal government not to interfere, why does the hon. member for Kamloops seek to impose a new act on his province and on the others? Would it not be better to leave the question of water management to the provinces, like British Columbia, that have jurisdiction over it?

Unfortunately, I have not looked at this issue with regard to the North American Free Trade Agreement. We should certainly look at this question of water exports, or trade in water, in connection with this agreement.

I sense that, once again, this will be served to us with an ecosystem sauce, that is to say, we will be told that we should consider the large living systems as a whole, because they justify Ottawa's interference with provincial jurisdictions. The report referred to before is asking Ottawa to develop a strategy for interconnected basins. Under this strategy, Ottawa would look after large basins like the Great Lakes and the St. Lawrence, while provinces and municipalities would manage small basins in accordance with federal policies.

I will read to you two paragraphs from Francoeur's article, which show clearly the interfering intent of the federal government. It says: "Ottawa proposes to reduce the role of the provinces, which own water resources, by drowning their constitutional responsibilities in a sea of intervenors. For example, the report suggests that we create a consortium with representatives of the public sector (federal, provincial, territo-

rial and municipal governments), the First Nations, the universities, the colleges and private sector businesses, which would tackle various problems related to water on a national and international level. The scientific societies' report also suggests that we extend federal jurisdiction to estuaries like the St. Lawrence estuary and to coastal zones, which are provincial properties, in the context of a global approach focused on ecosystems and interconnected drainage basins."

This report puts forward the same arguments the federal government uses to justify interfering in provincial jurisdictions. Ecosystems, the nation, globalization, always the same ingredients the federal government uses to push the provinces around. Unlike Obelix, who was the only one to fall into the kettle of magic potion, all the federalists have been cooked in the same pot. The hon. member for Kamloops is no exception because his bill reflects perfectly the centralizing views promoted by the federal government in environmental matters.

Finally, the report goes on to say that Environment Canada should enhance the protection of fresh water ecosystems by assuming jurisdiction over fresh water fishing. Yet, since 1922—

Mr. Mills (Broadview—Greenwood): Oh, my God, it is unbelievable.

Mrs. Guay: Mr. Speaker, if the members opposite listened they might learn something.

Yet, since 1922, Quebec has been managing fresh water fishing within its boundaries, which shows the inconsistency of a system where water belongs to the provinces and the fish belong to Ottawa.

It is clear from this report that fresh water is under provincial jurisdiction. In B.C., minister Sihota goes even further by legislating trading provincial water.

In a federal paper entitled *Media Backgrounder Federal Water Policy—Executive Summary*, we read this, and I quote:

[*English*]

> —the provinces exercise direct control over many aspects of water management within their boundaries. Their competence to legislate in water matters derives from their jurisdiction over management of public lands, property and civil rights, and matters of a local and private nature. Provinces, therefore, have authority to legislate in areas of domestic and industrial water supply, pollution control, non-nuclear thermal and hydroelectric power development, irrigation and recreation.

[*Translation*]

Moreover, in Quebec, the Gérin-Lajoie philosophy, which says that Quebec's constitutional jurisdiction should be extended to its international relations, has been the object of an undeniable consensus since 1965.

• (1815)

If we combine all this, that is, provincial jurisdiction over water, the provinces' wish to take charge of their international relations, as the member for Kamloops' province does through its Water Protection Act, and if we add to that the federal government's mediocrity, or even paucity in terms of the environment, it must be recognized that Bill C-202 is not a desirable bill.

[*English*]

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I rise on a point of order. I would like a point of clarification. Does debate on a private member's bill go from one side of the House to the other?

The Deputy Speaker: Usually, but we try to give all three parties a chance to speak first. According to my list, it is the hon. member for Peace River who now has the floor.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, there is quite a bit of interest in this bill. We have been interested for some time in the matter of water and water exports.

It is a pleasure for me to speak to Bill C-202, which is an act to prohibit the export of water by interbasin transfers. I know the hon. member for Kamloops has been following this issue for quite a few years. Since he is from British Columbia, I can understand his interest in the subject.

Contrary to what the previous speaker stated, these rivers quite often run through more than one province and quite a big area is affected.

We in the Reform Party have also been interested in the topic of water exports. Our 1993 blue sheet, which contains the Reform Party's principles, policies, and election platform, states that the Reform Party supports the position that notwithstanding the inclusion of water in the Canada-U.S. Free Trade Agreement and the North American Free Trade Agreement, exclusive and unrestricted control of water in all its forms will be maintained by and for Canada and both free trade agreements should be amended to reflect this.

The blue sheet went further to state that until federal policies related to the free trade agreements are initiated and Canada's control over water resources is established within both free trade agreements, the Reform Party would not support the implementation of the North American Free Trade Agreement.

I believe we are covered here. However, in examining the research I can see that there are cases that can be made for either side of the argument. The first argument is that the free trade agreement and NAFTA entitle the United States to a certain share of Canada's fresh water. The second argument is that the trade agreements do not entitle the U.S. to our water. I would like to address these two arguments. I will speak about the

second argument first, which is the Canadian government's official position.

Water was never mentioned during the free trade negotiations. The free trade agreements are commercial agreements, which deal with traded goods and services. Of course bottled water is a traded good, but water in rivers and lakes is by no stretch of the imagination a traded commodity, so what is the big fuss?

Furthermore, the Canadian government amended the implementing legislation to the Canada–U.S. Free Trade Agreement by stating that none of the free trade agreement provisions, such as the proportional sharing agreement, applied to natural surface or ground water, other than article 401, which deals with tariff elimination.

It would seem that our water is secure. Just to make triple sure there is no room for misunderstanding or legal manoeuvres by the Americans, in December of 1993 the governments of Canada, Mexico, and the United States put out a joint statement, which states that "NAFTA creates no rights to the natural water resources of any party to the agreement. Unless water in any form has entered into commerce and has become a good or product, it is not covered by the provisions of any trade agreement, including NAFTA. Nothing in the NAFTA agreement would oblige any NAFTA party to either exploit its water for commercial use or begin exporting water in any form. Water in its natural state in lakes, rivers, reservoirs, aquifers, water basins and the like is not a good or product and is not traded and therefore is not and never has been subject to the terms of any trade agreement".

The official argument goes even further, to state that international rights and obligations respecting water in its natural state are contained in separate treaties and agreements negotiated for that purpose. Examples are the United States–Canada boundary waters treaty of 1909 and the 1944 boundary waters treaty between Mexico and the United States.

● (1820)

It would seem that any reasonable person would be completely satisfied that all the *t*'s had been crossed and the *i*'s dotted. But of course we are not all lawyers. Lawyers can find tiny holes and drive trucks through them. Before we know it, water could be making its way south of the border.

Let me give some mention of the other argument, the one that says we have goofed and we have allowed the trade agreements to be finalized without specifically exempting water in our rivers and lakes.

The argument could be made that water is a good under the free trade agreement and NAFTA. This is because both trade agreements state that a good is one that is understood to be a good in the General Agreement on Tariffs and Trade. Sure enough, the GATT tariff schedule has a heading for water, which is very broad. The heading, numbered 22.01, is reserved for waters, including natural or artificial mineral waters and aerated waters, not containing sugar or any other sweetener matter for flavouring, plus ice or snow.

With that kind of a description, it would seem that natural water of all kinds, other than sea water, could be classified as a good. Since the trade agreement says we must allow all parties to the agreement the same rights in respect of trade in goods and services, we could be forced to give the United States and Mexico the same rights to our water resources that we now enjoy.

Fancy lawyers notwithstanding, I would like to think that the side agreement signed by all three governments carries a lot of weight. Even though the free trade agreement and NAFTA were never changed to include clarification about Canada's sovereignty over its water resource, a mistake we could rectify if we have a chance to open this agreement again to allow a new country in, I believe we still are protected and can never be forced to sell our water to our neighbours in the drier climates.

Of course our final safeguard is that we can always opt out of NAFTA or the free trade agreement. That is our bottom line: if we are not happy with what we are expected to deliver, we have the right to opt out. All we have to do is provide our neighbours with written notification six months in advance.

Let me get back to the bill under debate. I agree fully with its contents and intent. I do not think that any party in Canada, no matter what its political stripe, would support the exporting of water by interbasin transfer. Apart from a threat to our sovereignty, water exports also carry ecological risks. Interbasin water transfers can introduce parasites and other organisms to new environments, which could have a very negative effect. A good example of this is the introduction of zebra mussels into the Great Lakes by ocean–going vessels.

Other problems occur when the flow of fresh water is reduced in estuaries where sea water and river water mix. This upsets the saline balance of the water and has detrimental effects to the birds and fish that depend on that particular ecosystem. It is also reported that dams can cause a change in weather patterns and climate and can cause mercury contamination in the food chain.

I would agree with the hon. member for Kamloops that more research could be done into the effects of interbasin transfer. To that end, I would agree to sending Bill C–202 to committee for further study.

I support this bill, although I am not entirely sure that it is necessary or that we are not sufficiently protected already. However, if there is any concern at all that we are not, let us pass this bill. It can be added as a further safeguard we can take to protect our very valuable water supply.

The Deputy Speaker: A point of order, the hon. for Kamloops, who has already spoken on the matter.

Mr. Riis: Mr. Speaker, I have a very short point of order before my friend from Broadview—Greenwood participates in the debate.

In light of the suggestion by my honourable friend who has just spoken for the Reform Party, I wonder if I could ask you, Mr. Speaker, to ask the House whether there would be unanimous support to put a motion on the floor to send this matter to committee for further discussion and examination.

The Deputy Speaker: Is there unanimous consent?

An hon. member: No.

The Deputy Speaker: There is clearly not unanimous consent.

• (1825)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I want to go back to my very first speech in the House of Commons in 1988. This was the issue I talked about when I opposed the free trade agreement; that water was a part of the free trade agreement.

I congratulate the member for Kamloops for bringing this private member's bill forward. On this issue we should have a general debate. Basically our country is water blind when it comes to understanding the complexities and depth of what is going on around this issue.

When I left high school and went to study in Texas I kept in touch with a few of my friends over the years. When I was running in 1988 for the first time to become a member of Parliament I received a call from an old college classmate of mine who said in that free trade agreement there has to be something dealing with water.

I asked my good friend Bert Edmunston to tell me more. He said the chief free trade negotiator for President Ronald Reagan was a personal friend of his and spent his entire life, including his Ph.D. thesis, studying North American water management, Clayton Yeutter. He worked as a young political assistant for Congressman Jim Wright who spent most of his time studying North American water management.

My friend, even though he was in Houston, an American looking out for the United States, gave me a little friendly heads up that there has to be something in that agreement dealing with North American water management.

I then talked to a few other people, lawyers and experts, much more expert than I was on this issue. I was going to focus on the whole issue of unfettered foreign investment, something I was opposed to, chapter 14. However, when this water dimension came into the deal that got my interest even more.

I remember standing on the other side of the House saying to then Prime Minister Mulroney: "If water is not part of this free trade agreement and yet there is so much worry about it, why do you not ask your friend, President Reagan, for a one–page protocol letter signed by him and you stating water is not a part of this deal? That would put all Canadians across Canada at ease." As the member for Kamloops said, whatever we do in the House or in any provincial house on the whole issue of water is subservient to the free trade agreement.

I could not sell Prime Minister Mulroney on getting a one–page protocol letter exempting water and of course the deal went through.

However, that very first month I was elected I discovered as an MP I had access to the Library of Parliament and the researchers. I remember asking them to find out a little more about Clayton Yeutter's Ph.D. thesis. Apparently it was on the whole issue of water. Lo and behold, about four months later his Ph.D. transcript from the University of Nebraska, pulled off microfiche, landed on my desk. It was about 700 pages on how the U.S. Army Corps of Engineers was to replumb the entire North American system. I remember after I received that Ph.D. thesis of Clayton Yeutter sending him letters complimenting him on this great thesis on how to replumb the North American water system. I asked him if he would comment as the chief free trade negotiator on whether it was in or out of the free trade agreement.

• (1830)

I never had an answer to the first letter, the second letter or the third letter. Therefore we must have our heads up on this issue.

I can remember the hon. member for Kamloops in opposition presenting thousands of petitions on the floor of the House, giving us a heads up on interbasin transfers. We have to deal with this issue.

To the member for Kamloops, his private member's bill today is in the right direction but it is too narrow. The member has said no interbasin transfers. As my colleague the Parliamentary Secretary to the Minister of the Environment knows, we already have an interbasin transfer from Lake Ontario into the St. Lawrence. That is one of the reasons we can maintain Montreal as a port. If we ever stopped that transfer from Lake Ontario, a joint decision made by the International Joint Commission, Montreal would not be a port.

This of course is something that was never discussed during the last referendum. Our friends who want to create their own country do not realize that Canada and the United States together, nation to nation, decide on the flow of water from Lake Ontario. We happily maintain Montreal as one of the great ports of the world. That in a manner of speaking is basin transfer.,Maybe

I am happy to participate in this debate today. It touches on an issue we will have to deal with in a comprehensive way over the next three to five years.

A chapter in one of the books by the former premier of Quebec, Robert Bourassa, dealt with the grand canal, the recycling of water from James Bay up over Mount Amos, down into the Georgian Bay system, through the French River, into all the Great Lakes and through Lake Michigan into the United States. This chapter had a contribution by Tom Kierans from Newfoundland who spent his entire life working for that great U.S. firm, Bechtel Group Inc. I am intrigued by this idea.

What I am trying to say is this is an issue we will have to face up to. Fifteen years from now our American friends will not be able to carry on without Canadian water. What will we do?

The member for Kamloops, who has been consistent on this issue and is pricking our conscience and our thought process here again tonight, is giving us a heads up on a very important issue. I hope through my colleague, the Parliamentary Secretary to the Minister of the Environment, and other colleagues we can take this issue on in a comprehensive way in the not too distant future.

Maybe, as the member said in his speech, there are many different factors in this equation, many intricacies related to our first peoples, our aboriginals, and our whole environmental system. There are the different types of waters, processes and everything else that we have to deal with. I hope we can get into that in the not too distant future.

With respect to my colleagues from the Bloc, water is really not a provincial debate or issue. When we look at the way 65 per cent of our waters flow north into James Bay, when we see the way waters flow back and forth, if there was ever a reason for my colleagues across the floor to convert from Bloc Quebecois to Bloc canadien, it is around the whole issue of water.

Unless we have a strong national government managing our water resources for the interests of all Canadians, the entire community is in jeopardy. The best way to secure the precious resource of water for all Quebecers is by making sure the national Government of Canada is working on behalf of all Quebecers. Quebec alone would not have the same capacity or the same thrust.

[*Translation*]

The Acting Speaker (Mr. Kilger): The hour provided for the consideration of Private Members' Business has now expired. Pursuant to our Standing Orders, this item is dropped from the Order Paper.

[*English*]

It being 6.39 p.m., the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.39 p.m.)

HOUSE OF COMMONS

Thursday, November 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 seven petitions.

* * *

[*English*]

CRIMINAL CODE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP) moved for leave to introduce Bill C–363, an act to amend the Criminal Code (juvenile prostitution).

He said: Madam Speaker, it is my pleasure to rise today to introduce this private member's bill for first reading. It provides that a Canadian citizen be tried in Canada where that citizen has sexually exploited children overseas.

We all know there is a multibillion dollar sex trade, particularly in Asia. Other countries, in particular the United Kingdom and Sweden, have taken measures to ensure that their citizens who commit crimes against children, which is surely one of the most heinous crimes we can imagine, are tried in their home country.

Article 35 of the UN Convention on the Rights of the Child, which Canada was instrumental in implementing, states that governments have the obligation to ensure that children are protected from all forms of sexual exploitation.

I recommend the bill to the House. I congratulate an organization called End Child Prostitution in Asian Tourism, which has worked very hard to ensure that this trade be stopped.

(Motions deemed adopted, bill read the first time and printed.)

PETITIONS

SOCIAL REFORM

Mr. Mac Harb (Ottawa Centre, Lib.): Madam Speaker, pursuant to Standing Order 36, I present a petition to the House. The petition is signed by people from all across the national capital region: Ottawa, Nepean, Gloucester, Orleans and so on. It has to do with same sex benefits.

CANADIAN WHEAT BOARD

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, the petition I am presenting today comes from the constituents of Yorkton—Melville. It states: "We, the undersigned citizens of Canada, wish to draw to the attention of the House of Commons and the Senate of Canada that a very vocal minority of citizens are requesting Parliament to institute a dual marketing system for wheat and barley.

Therefore, your petitioners request that Parliament continue to give the Canadian Wheat Board monopoly powers in marketing wheat and barley and also request that Parliament expand further the Canadian Wheat Board monopoly powers to include all grains and oilseeds".

• (1005)

BOVINE GROWTH HORMONE

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, pursuant to Standing Order 36, I am pleased to present a petition on behalf of my constituents in Regina—Lumsden who are concerned and opposed to the approval of the synthetic bovine growth hormone known as BGH or BST, the drug injected into cows to increase milk production.

The petitioners call on Parliament to take steps to keep BGH out of Canada through legislating a moratorium or stoppage on BGH use and sale until the year 2000, and examining the outstanding health and economic questions through independent and transparent review.

* * *

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

[*Translation*]

CONSTITUTIONAL AMENDMENTS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved that Bill C–110, an act respecting constitutional amendments, be read the second time and referred to a committee.

He said: Madam Speaker, Bill C–110 represents the fulfilment of one of the three undertakings made by the Prime Minister during the referendum campaign. At that time, the Prime Minister made a commitment not to amend the Canadian Constitution without the consent of the people of Quebec. But the bill goes much further. It also ensures that no constitutional change will take place without a regional consensus.

Let us be very clear: this initiative, the resolution respecting Quebec's distinctiveness, and the initiative that will follow tomorrow, are in no way the sum total of our response to the Quebec referendum or to the issue of national unity. Rather, these three commitments should be seen as important first steps.

[*English*]

It was in front of a rally of over 100,000 proud Canadians in Montreal that the Prime Minister promised change. He made a commitment and now he has delivered.

On that day he made it clear that to implement change he would need the support of those same proud Canadians and their friends who came from coast to coast to Montreal. The time for this renewal starts now.

We need the support of those Canadians and Canadians from all across the country to confirm the faith of the majority of Quebecers who voted no to separation on October 30.

The steps we are taking this week in combination signal a new beginning and a reaffirmation of our desire to remain united.

[*Translation*]

Bill C–110 should be seen in the context of this renewal. Yesterday, the Prime Minister spoke eloquently before the House to the resolution recognizing Quebec's distinct society.

That resolution represents a solemn commitment, the fulfilment of a pledge, and this Chamber's genuine expression of respect for the people of Quebec. True, this resolution will satisfy neither the Parti Quebecois nor the Bloc Quebecois.

• (1010)

As we know, sadly, nothing short of breaking up this country would satisfy them. But, as the Prime Minister said yesterday, it is easier to destroy than to build. This government is interested only in building a stronger, more united Canada.

[*English*]

As the Prime Minister asserted yesterday, the resolution through which the House is being called on to confirm the reality that Quebec is a distinct society is not intended in any way and does not infringe on or derogate from aboriginal or treaty rights. This position includes the inherent right to self–government. We recognize the unique legal position of aboriginal peoples, including the protection of aboriginal and treaty rights as found in the Constitution.

Tomorrow my colleague, the Minister of Human Resources Development, will table a bill transforming the unemployment insurance program into an employment insurance program. This will represent the latest step in the practice established by the government in the two years since we have taken office; a practice of co–operating to end duplication with other levels of government as we work toward our common goals of creating jobs and achieving economic growth.

We reaffirmed that commitment during the referendum campaign. Tomorrow will mark an important step in that continuing process.

[*Translation*]

During the referendum campaign, we assured the people of Quebec that the Canadian Constitution would not be amended again without their consent. That was a solemn commitment. Yet, the Government of Quebec stands in the way of our modernizing the federation and stays on the sidelines by itself. It refuses to participate.

As Canada begins its renewal, we need a practical way of assuring Quebecers that we will not proceed without them. What we have done is to provide a strong political commitment, backed by the force of law, that we will use our veto to oppose any change that, in the opinion of Quebecers or people from any other region, goes against their best interests. This simply acknowledges the reality. There is no point in adopting changes that do not have substantial support in all the regions of the country.

[*English*]

Allow me to deal briefly with the contents of Bill C–110. May I emphasize at the outset that this legislation does not initiate or represent constitutional change. It is essential to emphasize that the adoption of this bill by Parliament will not result in any change in the amending formula provided for in the Constitution of our country.

All of the features of Part V of the Constitution calling for provincial agreement in various forms, depending on the nature

of the proposed amendment, will remain entirely as they are at present. In particular, the general formula for amendment requiring the approval of two–thirds of the provinces representing 50 per cent of the Canadian population will remain exactly as it is at present.

What this bill does achieve is to make the federal veto over constitutional change available in such a way as to ensure that no such change will take place without regional consensus. Simply stated, the federal government is providing by law that such support will not be forthcoming unless certain conditions are met. Those conditions involve the support of every region of Canada.

Let me spend a few moments setting out in a summary way that which is already well known to members of Parliament; that is, the features of the present amending formula contained in Part V of the Constitution Act, 1982 and that will continue unchanged after this bill is adopted.

• (1015)

Each and every one of the provinces already has a veto on many categories of proposed constitutional amendments. For example, each and every one of the provinces has a veto on all changes that require unanimity; that is, those matters that are touched on by section 41 of the Constitution Act. These involve changes to the office of the Queen, the governor general, the lieutenant governor of a province. They involve changes in provincial representation in the House of Commons and the Senate, the use of the English and French languages, and the composition of the Supreme Court of Canada.

Under section 41, every province, from Newfoundland on the east to British Columbia on the west, has an absolute and unconditional veto over any amendment referred to in section 41.

The second type of change contemplated by the Constitution and the second kind of veto provided in part V is dealt with in section 43. Whenever there are proposed changes that affect one or more but not all of the provinces, those provinces affected by the proposed changes have an absolute and unconditional veto over any such amendment. Think, for example, about the resolution of boundary questions between provinces that neighbour each other, or instances such as the amendment permitting the construction of the fixed link between the mainland and Prince Edward Island. Without the concurrence of the province or provinces affected by changes under section 43, those amendments will not occur.

The third kind of change in respect of which there is a virtual veto is under the general amending formula in subsection 38(1). It is provided in subsection 38(3) that where there is any amendment approved by seven provinces with 50 per cent of the population, if it involves the reduction of any provincial power, right, or privilege, any province can opt out. In that section, the veto is exercised in a negative sense by the objecting province opting out of the proposed change. Under section 40, where such an opting out takes place in relation to matters involving culture or education the federal government is obligated to compensate the dissenting province financially.

It is therefore clear that each and every province, from Prince Edward Island to Alberta, from British Columbia to Newfoundland, has a veto either directly or indirectly over almost all categories of constitutional change.

The only area that exists at present where there is no veto is where the general amending formula applies and where the opting out provisions of subsection 38(3) do not arise; in other words, those amendments that do not involve taking powers away from the provinces. We are therefore dealing with those categories of amendment that would, for example, add powers to the provinces, enlarge the territories of existing provinces, or deal with all the other matters listed in section 42 of the Constitution.

The effect of Bill C–110 is to provide a regional veto for any of the changes in respect of which the individual provinces do not already have direct or indirect vetos. The additional regional veto that is contemplated by this legislation will be provided not by constitutional change but rather through a commitment by the Canadian government to introduce such changes only when regional consensus is demonstrated.

In effect, the federal government is putting in place a set of criteria that will guide the future use of its own veto power. The seven and fifty amending formula is still in place. Bill C–110 is merely a discipline the federal government imposes on itself.

[*Translation*]

Canadian history shows that the idea of a regional veto has often been supported by many responsible proponents. Indeed, at the Victoria constitutional conference of 1971, the federal government and all 10 provinces agreed to a constitutional amending formula that was, in general terms, very similar to that proposed in Bill C–110.

This approach was ultimately rejected, for other reasons, by a subsequent decision.

• (1020)

Let us keep in mind, however, that the Victoria formula as it was then called had the original support of all eleven governments.

Similarly, the 1991 report of the Beaudoin–Edwards Committee contained a proposal almost identical to that in Bill C–110. Finally, at its 1992 policy convention in Hull, the Liberal Party

of Canada endorsed certain specific amending formulas, including the very formula set out in this bill.

As members will see, this bill provides expressly that no minister of the crown may introduce a resolution proposing an amendment to the Constitution unless such an amendment has the consent of a majority of the provinces. Which begs the question: What is meant exactly by "the consent of the provinces"?

First, let me point out that it will be up to the federal government to determine what this phrase means every time a new situation arises. Depending on the circumstances, the federal government might interpret as consent, for example, an expression of consent by the provincial government of the day, a resolution of the legislative assembly, or a direct expression of the population's agreement through a referendum.

[*English*]

There are those who may argue that Bill C–110 is unconstitutional because it represents a unilateral attempt by the Canadian government to amend the Constitution. I gave careful consideration to this question before certifying the bill as constitutional, as it was tabled in the House yesterday.

Let me express my sincere conviction that Bill C–110 is valid federal legislation. It does not amend the Constitution in any way. Indeed, it is complementary to the constitutional amending provisions.

The House of Commons is the only legislative assembly in Canada with a complete veto over almost every conceivable type of constitutional change. That is so because as a practical matter no such change will occur if it is opposed by the House of Commons.

Bill C–110 simply represents a reflection in legislative form of the policy of the Canadian government with respect to the circumstances under which it will lend its support to constitutional change where the provinces do not already have a veto.

In my respectful view this legislation is much in the same category as those provincial statutes by which certain provinces have bound themselves to support constitutional amending proposals only after a referendum has been held in which the people of a province express their support. I refer specifically to the legislation in both Alberta and British Columbia, which imposes on those provincial governments exactly that constraint or discipline.

Accordingly, the bill is neither intended to nor does it amend the Constitution directly or indirectly. It simply sets out the circumstances under which the Canadian government may support constitutional change.

Another question that arises is whether there are four regions for these purposes or five. As the Prime Minister asserted in his remarks yesterday, some are already suggesting the bill does not do justice to British Columbia. This is simply not the case.

The changes in this legislation are a significant step forward for British Columbia in the constitutional process. These steps are the clearest recognition we have had to date of British Columbia's growing importance within Canada. The voices of British Columbians are being heard in Ottawa and throughout Canada. Let there be no mistake about that.

• (1025)

As the largest western province, British Columbia will obviously have a major voice in determining whether regional consensus exists in the circumstances contemplated by Bill C–110. The arithmetical reality is that British Columbia, with the support of only one other western province, could block any constitutional change affected by Bill C–110. This represents a significant increase in British Columbia's role in the amending process. The situation at present in respect of amendments to which Bill C–110 would apply is that change would be possible without the consent of three western provinces, even if the three dissenting provinces together represented a majority of the population in the western region.

The population of British Columbia is expected to surpass 50 per cent of the total of the western region early in the next century. This will mean that under the provisions of Bill C–110 British Columbia on its own would ultimately be able to block any amendment. This will represent a major improvement and significant recognition of British Columbia's place in Confederation.

This issue should surely be kept in perspective. We speak in this bill of a veto. A veto does not initiate constitutional change, it blocks it. What we are talking about is the ability of a region to stop an amendment to the Constitution.

I remind members as well that the Constitution requires that a conference convened by the Prime Minister and including all first ministers must be held before April 1997, expressly for the purpose of discussing the amending formula in part V. The issue of British Columbia's involvement in the veto process could very well be put on the agenda of that conference for full discussion.

[*Translation*]

There are those who suggest that Bill C–110 will make it impossible for any government to amend the Canadian Constitution. I fundamentally disagree.

First of all, the amending formula remains exactly as it is today. Part 5 remains unchanged. The general amending formula will still require the consent of seven provinces representing

over 50 per cent of the Canadian population. Bill C–110 simply provides that a regional consensus must be achieved before the Canadian government can effect any changes.

It is difficult to imagine that the federal government would endorse constitutional change without the support of all regions. Bill C–110 requires that a majority of provinces, namely six, express their support for or consent to the proposed changes before Ottawa can participate.

That is, of course, a smaller number than required in Part 5 of the Constitution, and I emphasize as well that there is no national population threshold.

[*English*]

I suggest that Bill C–110 will strengthen the constitutional fabric of this country, not by changing the Constitution but rather by making plain the circumstances under which constitutional change can be carried out.

This bill is a measure that reflects the importance of the regions of Canada and ensures their participation in constitutional renewal. In a sense the bill is a bridge, because we can expect that the amending formula will evolve in the years to come. There is no doubt that at some future point the amending formula will be reviewed and no doubt improved upon. In the meantime, by this legislation the federal government is ensuring that amendments will occur only when they have the support of all regions of the country.

As I said at the outset, this bill and the other initiatives introduced this week are not in any sense the only response by this government to questions of national unity. Rather these initiatives are the first steps. They represent new beginnings. We undertake them with renewed hope and optimism for our future as a country. Let us proceed in that spirit and put Canada above all else. Let us put Canada first.

• (1030)

I commend the legislation to the House and I urge all members to support it.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Madam Speaker, we are engaged here in a continuation of the discussion of the recent attempts by the Prime Minister to amend the Constitution. I feel that the contribution made to the history of Canada and Quebec constitutional law by Bill C–110 will be fairly negligible. It will add a page to the federal statutes, but that is as far as it will go.

Before entering directly into an examination of the content of Bill C–110, I would like to try to destroy a myth, if I may—although myths are virtually indestructible—the myth that René Lévesque lost Quebec its right to a veto. Yesterday again we heard the Prime Minister tell the House that Quebec had to be given back its veto because René Lévesque had given it up. That is something we hear all the time on the Hill as a self–evident truth, but something that is totally contrary to the facts.

I note that the Minister of Justice, with his familiarity with law and jurisprudence, has taken great pains to avoid repeating such an enormity. We are well aware that the reason why Quebec is in the vulnerable situation it is with respect to constitutional change is that the Supreme Court, in a 1982 decision, its second decision on constitutional challenges raised because of the 1982 patriation, found that the veto Quebec believed it possessed, the veto everyone believed Quebec possessed, which had always been respected because the general perception was that the Canadian Constitution could not be altered without Quebec's consent, had never existed.

The Supreme Court analyzed the Constitution and found, after examining all elements which might make it possible to confirm the existence of a veto, that Quebec had no veto and never had had one. Now, that is a ruling by the Supreme Court of Canada. As a result, people ought perhaps in future to refrain from stating that if the necessity for Quebec to obtain a veto is central to the whole constitutional debate, is not as a result of René Lévesque's being so careless that it was lost, but has never existed in the opinion of the Supreme Court. The proof lies in the second challenge in 1982, when Quebec, which now stood alone, attempted to block unilateral patriation by invoking its right to a veto.

You will recall that in the first attempt, in the first case, in 1981, Quebec had seven other provinces on its side and was successful in blocking patriation, this time by convincing the Supreme Court that a reasonable measure of provincial consent was necessary for proper patriation and major change to be possible. The Supreme Court had concluded that, with eight provinces dissenting and only two supporting the federal government, the reasonable measure of consent needed to authorize the patriation of the Constitution and the amendments it contained had not been reached.

It was in the second attempt, when Quebec found itself alone, that it tried to block patriation and exercised its right to veto. At the heart of the 1982 constitutional challenge, which the Supreme Court decided on, just before the act of patriation was signed, but still in 1982, the court concluded that the argument did not hold in this case, because Quebec had no veto.

I would just like to say this so it appears somewhere in *Hansard*, here, in this wash of gratuitous remarks to the effect that René Lévesque lost the right of veto, that someone rose, namely the Leader of the Opposition, who was on one of the teams of lawyers at the time, to point out that the Supreme Court never said René Lévesque had lost the right of veto. On the contrary, it said we never had it. Hence the present debate, which

is part of a long series of abortive attempts to introduce the right of veto into the Canadian Constitution.

• (1035)

Earlier, the Minister of Justice provided a quick overview of the various attempts that have been made, from Victoria, more specifically the Pepin–Robarts Commission, to the various task forces that were set up during the constitutional debates that preceded the Charlottetown accord, to show there had been a number of formulae. The formula used in Bill C–110 is somewhat like the Victoria formula in which Quebec is considered a region and could therefore, if the government is rightly talking veto, have its own veto too.

But what is the reality of the situation. I contend, and the Minister of Justice was careful to avoid saying it, that there is no way this bill can be said to give a veto to Quebec in particular or to other provinces and regions. There is no way anybody can claim this bill provides for a veto, for two basic reasons.

First, veto power is given only if everyone wants it to be. As soon as someone objects to its being given, the right vanishes. Consensus is at the very heart of the according of veto power. Unanimity is essential. All the provincial legislatures and the federal government must be in agreement. What we have before us is nothing more than the federal government's wish. Where is the support of Canada's provincial legislatures? There is none.

What we do have are statements making it very clear that at least two, and maybe more, provinces have refused to support this veto bill. Only one need refuse for it to never exist.

This means there is a basic flaw in the plan for establishing a right of veto. The reality of the situation is that we do not have here the conditions necessary for a veto to be given.

The second reason has to do with the definition of a veto. The right of veto is an absolute guarantee. It is written into the Constitution and cannot be withdrawn without everyone's approval. It serves to permit one of the interested parties to block constitutional change.

It should be binding on everyone under the constraining effect of the Constitution, the country's supreme legislation. Where will this bill end up after being passed by a majority of the members in this House? It will end up gathering dust in the federal statute books, where it will remain. It will never be enshrined in the Constitution or invoked to bind anyone outside this House because it is not, in fact, a right of veto.

They will tell me: "Yes, but Parliament will be bound, the federal government will be bound, since a bill was passed". Not really. It will be bound only so long as the act remains in the federal statute books. It will no longer be binding, even on this government, as soon as one minister or another rises to propose that this bill be withdrawn and replaced with another one. One piece of legislation replacing another. The legislative process hinges on having the same forum, the same vehicle, namely the House of Commons, pass a bill to amend another piece of legislation.

In any case, we know full well that, fortunately, governments do not last forever, that there are elections in a democracy, that there will be a federal election in two or three years, that another government will be formed, perhaps by the same party, but possibly by a different party, why not? As for the Bloc Quebecois, it will certainly not be in the running, so that the only other party in this House likely to come to power is the Reform Party. What will be the first bill tabled by Reform should it come to power? The bill to withdraw Bill C–110. Which means that Bill C–110 is nothing. It amounts to smoke and mirrors.

• (1040)

So, Madam Speaker, I trust you will allow me to spare you and not spend too much time repeating that this bill contributes absolutely nothing to the debate, that it is, at best, a diversion, a show put on by the Liberal government to silence criticism about failing to act on the constitutional issue, making empty promises and misleading the people. This way, for the next two or three years, the Prime Minister will be able to keep telling us, until we are sick and tired of hearing about it: "We granted Quebec the right of veto through Bill C–110. We granted Quebec the right of veto through Bill C–110. We granted Quebec the right of veto through Bill—"It will become quite annoying to hear him say that over and over. That is not true, but he just will keep on repeating it all the time. Over, and over again.

Those in the know, all those who examine the constitutional issue, who are courageous enough to keep looking into it from time to time, who overcome their mental fatigue to ponder these matters again, know that Bill C–110 is just one of those political ploys that do not really change anything in the problem Quebec and Canada have in this regard. And I suspect that the Minister of Justice would be the first one to recognize that, he who, a moment ago, gave a very neutral, factual and, I would say, professional description of his approach by setting out very clear limits, reassuring English Canada in the process.

I noticed, in the remarks he made in English in particular, that he made a point to remind everyone that the Constitution will remain unchanged. "Do not assume that this is a constitutional change. This will have no effect on the Constitution. The federal government is just exercising self–discipline". I heard a speaker use the word "discipline" earlier, in English. The federal

government will exercise self–discipline, restraint, before granting too much to Quebec, of course. To anglophone listeners, the government is describing this initiative as a way to refrain from giving too much to Quebec, to resist the urge to do anything like that.

This leads me to believe and shows us that Bill C–110, in fact, has a pernicious effect in that, since the Canadian Constitution is so complex and twisted in certain respects, this bill, and that is a paradox, will in no way solve the current problems, but will make it even more difficult to transfer the powers that the federal government might be willing to give to Quebec.

I can see the day when members from this side of the House will rise to ask the Prime Minister: "Are you going to transfer manpower to Quebec, along with the real powers provided for in the Constitution? Are you going to enshrine the transfer of manpower in the Constitution? Are you going to do that? Are you going to also transfer the related funds?" The Prime Minister will reply: "I cannot do that. Bill C–110 prevents me from doing that. I have imposed self–discipline on myself. I have forbidden myself to transfer anything to Quebec". Since he is a law abiding person, the Prime Minister will no longer be able to do anything for Quebec, when he wanted to do so much.

I end with the conclusion of the Minister of Justice, who said: "Listen, this may not be much"—and he is right—"but it is only the first step. It will be improved. We will continue to work. The committee has an important task. That committee, which is chaired by the Minister of Intergovernmental Affairs and which will explore avenues for change, will come up with other proposals just as inventive as Bill C–110". The minister adds: "Do not lose heart just yet. True, there is not much in this, but we will improve things". The fact is that, never in the history of constitutional negotiations and talks involving Quebec, the federal government and the rest of Canada, was an initial proposal improved on. On the contrary, every initial proposal made was later scaled down, watered down, split, doctored or dolled up, and in the end became almost meaningless. Now we are told: "No, this time we start small, but end up with something big". We will talk then.

• (1045)

For the time being, let us simply say that this sham fails to convince, and that we will not give it any credibility by voting in favour of the bill. On the contrary, we will oppose this legislation and, in Quebec, we will move on to a more immediate, pressing, serious and imperative agenda, given the need to put our fiscal house in order, to create jobs and to do something about education and culture.

We will see what happens after that.

Some hon. members: Hear, hear.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I am rising today to address Bill C–110, an act respecting constitutional amendments, and to state clearly our opposition to the bill as it is now drafted. I also hope to propose some things that the government will think about in terms of altering this legislation which may make it more acceptable.

[*Translation*]

I want to say that we, the members of the Reform Party, certainly oppose that bill, which gives a veto power over constitutional amendments to certain provinces, but not to others. More importantly, it denies Canadians the possibility of playing a role, by way of a referendum, in amending the Constitution.

[*English*]

I must admit that in the last two or three months I have been wondering what exactly it is we are doing in this place and why we are really here when it comes to the question of national unity.

I had prepared a fairly long speech to discuss the constitutional amending formula and some of the considerations in that historically. I probably will not give it today. Instead I want to concentrate on a few other comments, things that I feel about this situation which I think need to be said.

When I say I wonder why we are here, as intergovernmental affairs critic for my party I want to share some of the frustrations we have had. Monday morning the government did not even know it was making an announcement on national unity. We contacted the government and were told that by the office of the intergovernmental affairs minister. Certainly nobody in the press gallery was aware of it.

The announcement was made Monday afternoon. Even yesterday morning no copy of the bill was available. We were told it was in the extremely complex process of being drafted, after notice had been given. Then we got the bill and it is all of one page. There is no doubt that the drafting required a lot of time and a lot of complex decisions which prevented it from being shown to anybody until a few minutes before it was tabled.

We saw what happened when we tried to get a constitutional amendment at Charlottetown. We ended up with 60 clauses. It took months and they could not even produce a legal text. This is the kind of the role we see here.

What is more important is this is a bill about the amending formula. The amending formula is an important question. Frankly I do not really think this bill has much to do with an amending formula in the Constitution. I do not think much thought went into this position.

Judging from the comments of both the Prime Minister and the Deputy Prime Minister when we have questioned them in question period it is very clear there are concerns other than the amending formula. We seldom get any responses that try to justify or explain why this particular formula would be a good one.

Instead, what is obviously a preoccupation in the government and in the country is the very deep denial about the nature of the events in the province of Quebec and where it is really going. The deep denial this country has been in for a long time is that there is a very simple solution to this problem, that somehow there will be some constitutional or non–constitutional concession and all we do is present it. It will address Quebec's historic demands; it will embarrass the bejeesus out of the separatists; the whole movement will collapse and then everything will be solved.

• (1050)

We have heard this story over and over again for 30 years. Attempts have been made to go along with that approach and frankly, they seem to have made the situation worse. The most notable was in 1982 when nine provincial governments and many people were persuaded to pass a major constitutional package against the wishes of the separatist Government of Quebec. This was done as a method of dealing with our unity crisis to fulfil the commitments of the then Prime Minister to the people of Quebec during the referendum. We know that has led to a much more profound crisis than we had to begin with.

As this crisis gets worse and worse, governments and the Liberal Party particularly seek to find enemies of Canada everywhere. Now the enemies of Canada are no longer just in Quebec among the separatist movement; we are now told there are enemies of Canada in great numbers in Alberta and in no less than the premier's office in Newfoundland. There are enemies in British Columbia. Everywhere there are enemies who will not put aside their narrow views in order to save the country.

Let me go to our position on the amending formula and make it very clear. The Reform Party will not agree to any change to the amending formula for federal ratification unless it is done by national referendum. It does not matter whether there are four regions, five regions, 10 regions, or if we make every constituency of this House a region.

It is not good enough to have 10 votes of 10 provincial premiers. We want there to be 30 million votes, the population of Canada in a national referendum to discuss federal constitutional amendments. If we get that, we can be more flexible about the nature of the federal geographic approval process. We have a constitutional amending formula for provincial approval today and that amending formula is satisfactory to us as a formula for provincial approval.

The position that the Minister of Justice has presented, I would state with respect, does not make any sense. The government says it is not a new formula for constitutional amendment. It is not a constitutional formula because it will not be in the Constitution. That is clear enough, except that it is the stated intention of the government that these proposals will be brought into the Constitution at some point.

The government is proposing a new formula for constitutional amendments involving provincial ratification. We already have a formula in the Constitution for provincial ratification, the seven and fifty formula. There are difficulties with the seven and fifty formula. The minister accurately outlined some of those difficulties.

The reason for that formula is that when dealing with provincial governments the provinces decided that they did not want any one government to have a veto because that was a very risky situation with the concentration of executive power there is in this country. I will get on to that more later.

The new formula obviously violates what the provinces themselves wanted in selecting the current provincial amending formula. The Minister of Justice has tried to make an argument that it is not unconstitutional for the federal government to unilaterally amend the provincial ratification formula even in a non–constitutional way. He has an argument there because the federal government can clearly delegate its powers.

Why it would want to delegate powers to the provincial governments in an area where the provincial governments already have a formula is unclear to me. We will have two rounds of provincial ratification and no real federal ratification. This is completely unclear to me. In any case, this is what they are proposing to do.

The delegation which is proposed here delegates that authority in a way that gives some provincial legislatures more authority than others.

• (1055)

It is on that ground that some provincial legislatures, in particular the legislature in my province of Alberta, may well attempt to take this to court and have it declared unconstitutional. Alberta may challenge that and I would encourage it if it sought to do so because in the area of governmental powers all of the provinces should be treated equally.

As well the Minister of Justice has argued, and I am a bit mystified at why he is even making this argument, that there are already plenty of vetoes in the Constitution which is true enough. There are already plenty of vetoes in the Constitution. That does not change the fact that for the areas he is proposing vetoes, he is proposing to give some provincial governments and not other provincial governments vetoes. This will be rejected by the population in large parts of the country, but particularly in western Canada. Western Canada will reject it because it

reflects a vision of the country that does not at all reflect the way westerners see the country.

I was born and raised in Toronto, so I can understand the central Canadian perspective. Unfortunately it is simply not a complete perspective of the country. It is interesting, when looking at the four regions there is Ontario and Quebec, the two original provinces before Confederation. Then there is Atlantic Canada and of course, it is a group with a small population. In the original Constitution we had recognized three regions, but then there is out there: western Canada and all of the Rockies, all of the prairies, all of the north. That is just one area.

If we were to ask a westerner what the regions were, I am sure he would say they are the prairies, the Pacific, the north and the east. That would be the formula that would be proposed.

This will obviously be rejected even more in British Columbia than it is anywhere else. British Columbia is obviously a distinctive and strong region with a vibrant economy, a great future regardless of what happens politically in this country. It is growing. It is larger both in terms of geography and population than all of the Atlantic provinces combined. It certainly is not going to view itself as part of some western region. Why then has it been defined this way? It is important to say something about this because it does reflect the nature and the inadequacy of the thinking behind the bill.

The Minister of Justice talked about renewal. What does this particular formula have to do with renewal? When we asked why this formula came about, we did not get an instruction about renewal; we got an instruction from the minister and from the government about history.

In 1971 the Government of British Columbia as part of a wider constitutional package that was eventually rejected, agreed to a formula that involved four regions. In 1971 Ken Dryden was a rookie playing goal for the Montreal Canadiens. The United States was still at war in Vietnam.

The premier who signed that deal— and I do not mean to besmirch his memory, the premier has long since passed away— not only is he and his government out of power, the party he represented does not even exist in the province of British Columbia. The premier is dead and we are using him now as the reason we are bringing forward a a proposal for a constitutional amending formula in 1995.

Then we got a second set of reactions. This morning the Minister of Justice seemed to concede that B.C. should have a veto or should be moving that way because of its population. I ask the House to think a little bit about this. The argument is that sooner rather than later, British Columbia will have a majority of the population in western Canada so it will have a veto.

What does this mean? This means that under the formula proposed by the government, the provinces of Alberta, Saskatchewan and Manitoba would have no say whatsoever in constitutional amendments, none whatsoever. They can be isolated in the seven and fifty formula and their consent would not even have to be requested to fulfil the requirements of Bill C–110. We would not even need to know what their position was.

• (1100)

This is an absolutely incredible position and explains why in Alberta there is a reaction. Some circles have called for an Alberta veto.

Across the country there is a particular concern that this gives a veto to the government of Quebec at the very time when it will be led not just by the separatists, but by the Leader of the Opposition, the leader of the Bloc Quebecois who will become the future premier of Quebec. He is not only committed to taking Canada out of confederation, but unlike Rene Levesque, is not willing to entertain any constitutional amendments whatsoever.

During and since the referendum when the Prime Minister has been asked him about his speech in Verdun, he talked about trusting the people. He told us we had to trust the people in the referendum. The people defeated the proposal by Mr. Parizeau. Now the Prime Minister does not trust them. Now he is prepared to trust the Leader of the Opposition. This position contradicts his previous statements on constitutional reform. It contradicts resolutions the Liberal Party passed in 1992. It contradicts his statement about trusting the people and giving the Constitution to the people. It even contradicts statements he made recently in the House.

We have to ask why the Prime Minister would do this. I want to try and be fair to him. The Prime Minister has been in politics for 30 years. He has had a very successful political career. None of us would debate that. He has shown from time to time some very clever political judgment, regardless of what anyone says.

He said he would trust the people. He said he would give the people a say. He said he would give the people of Quebec a veto. Now he is doing the opposite. He is giving the legislature of Quebec a say and not the people. A couple of days ago when I asked about this, he said this was even more democratic. This was really democracy. The people of Quebec chose this legislature and that is who we are trusting.

I have pointed out on more than one occasion in the past that if we had left the decision on the separation of Quebec to the legislature of Quebec, it would already be a separate country if that is where the decision is to be taken. It is the people of Quebec who have decided repeatedly not to separate.

Why is the Prime Minister doing this? He is doing this for the very reason that it is being criticized. He is doing this precisely because it gives a veto to the leader of the official opposition, the leader of the Bloc Quebecois. The Prime Minister can stand and say: "I gave you a veto. I gave the people of Quebec something through you and you turned it down. You are the bad guy". That is what he wants to say.

Why does that matter? It matters because for 30 years the Prime Minister has been a fighter for Canada in Quebec against the Quebec nationalist movement. It is a fight that looks more and more in jeopardy as there has been a long term rise in support of this movement through the decades.

As with all nationalism, this movement says that anybody who has a sense of wider loyalties is a traitor. The Prime Minister, because he sees himself as a Canadian, believes it is some kind of a sell–out.

It reached a pinnacle in the last couple of years when the Prime Minister became the first Quebecer in our history to be elected Prime Minister without substantial support from the French speaking areas of Quebec. He also was aggravated, when in the referendum campaign, his interventions did not seem to have a particular affect on the population.

• (1105)

The Prime Minister has decided to strike back. It is a perfectly understandable response for somebody who has been in the position he has been in, for somebody who must feel the way he feels, given the way events have gone and given the way he has been treated from time to time, particularly in his own province. From his perspective it may also be a response that is necessary politically as a federalist Quebecer.

I suggest it will not work. The Leader of the Opposition, as we all know, is a smart enough fellow, which he demonstrated again today. He is not going to have any problem playing around with this argument. That is what he will do. Whether his arguments are right or wrong he will be able to deliver an effective argument against this motion.

The Prime Minister should also know from his own history that success in politics is about being able to see that one's own feelings or one's own reactions should not interfere with one's own judgment or with the broader interests that are at stake.

Canada needs an approach in looking for a new constitutional formula. That is what we should be looking at here. Canada needs an approach that is good for the country and good for Canadians. I suggest there are many things wrong with this bill. In particular a veto for the premier of Quebec is not in the interests of all Canadians. It is not in the interests of this country.

What is in the interests of this country at the federal level is what we have: a provincial ratification formula which I believe is as good as it is going to get. At the federal level we need a national referendum for the people of Canada. We should be trusting the people of Quebec who have voted against separation. We should be trusting the people who went to the Montreal rally who were not there to endorse some bills and resolutions which they had not seen. We should be trusting their judgment. We should also be trusting the people who did not go to the Montreal rally. They were millions of Canadians, many of whom I suspect considered they would go but had second thoughts because they said: "If I go there am I going to find that my name is being used to back some agenda by some group of politicians that I had never endorsed?"

Those people in Quebec and outside of Quebec need a say in constitutional amendments. It is only by trusting the people that we are going to get anywhere. We will certainly vote against this bill the way it is. I ask the government to seriously consider looking at this proposal again to give the people a say over constitutional change at the federal level.

* * *

BUSINESS OF SUPPLY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I rise on a point of order. There have been consultations among all parties in the House. I believe you would find unanimous consent for the following motion. I move:

> That, notwithstanding any standing order if, on Friday, December 8, any division is demanded with regard to any business pursuant to Standing Order 81, the said division shall be deferred until 15 minutes before the expiry of the time allotted for Government Orders on Monday, December 11, and immediately after the disposal of the said division, the House shall dispose of all other business relating to the business of supply in the manner set out in Standing Order 81(17).

Madam Speaker, a copy of this motion has been given to both opposition parties present in the House and I believe you will find unanimous consent for this motion.

(Motion agreed to.)

Mr. Boudria: Madam Speaker, I wish to indicate that pursuant to Standing Order 43(2), Liberal MPs speaking on this bill from hereon in will be sharing their time with 10 minutes for every speaker.

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CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of the motion that Bill C–110, an act respecting constitutional amendments, be read the second time and referred to a committee.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Madam Speaker, there are defining moments in the history of a nation. I had the privilege of being a part of one of those defining moments. It was not a political

agenda. It was not a politician's agenda. It was an expression by the people of Canada, on the eve of a very important referendum about their futures, to come to the heart of Canada, the city that probably best embodies the distinctiveness of Canada and the distinctiveness of Quebec, to come to Montreal.

• (1110)

I spoke yesterday about a woman I met on an elevator in a hotel who had come in a wheelchair with her husband from Peace River, Alberta. She said to me:

[*Translation*]

"Mrs. Copps, I cannot speak French like you do, but would you please tell Quebecers that Quebec is an important part of our country, Canada, and that they are a distinct society".

I know it makes the separatists sick to see that Canada has a heart that is generous enough and I can see why.

[*English*]

I was in Montreal with 150,000 Canadians who came from every part of this country because they believed that we have a nation worth saving. They believe that Quebec is a distinct society. There is a reason we are different from our neighbours to the south, there is a reason that we have—

Some hon. members: Oh, oh.

Ms. Copps:—there is a reason we are different and generous.

[*Translation*]

There is a reason why, last week, we were able to pass a bill on firearms and there is a reason why we have a universal health care system; it is because, at the dawn of our history, when we made the decision to become a country, we held as a fundamental principle that there are two peoples.

The hon. member can laugh, but my ancestor was a member of the Louisbourg government before anglophones ever came into Canada. My maternal grandmother was born in England. We can find solutions. That is why, last year, on Canada Day, the Leader of the Opposition said Canada was the most democratic country in the world.

[*English*]

Canadians know that nothing we do will ever satisfy the Bloc Quebecois. Unfortunately the Reform Party has shown that it is incapable of understanding the meaning of building a nation and the setting aside of regional differences for the good of a nation.

If Bloc members were offered the world they would want the moon. If they got the moon they would demand the sun. If they got the sun they would demand the galaxy. If they got the galaxy they would want the universe. If they got the universe they would demand heaven. If they got heaven they would claim that the angels were in a federalist conspiracy to centralize power.

We have listened to the opposition parties. It is really very sad. I have a lot more faith and confidence in the people of Canada and the good judgment of those 150,000 people.

[*Translation*]

The Bloc wanted to know if campaign managers had paid for this, who had taken the school bus? Steelworkers from my riding, who had never been involved in politics in any way, rode in a school bus for ten hours to go to Montreal to express their solidarity and recognize what you know and what we know. It is a fact, Quebec is a distinct society, and that is why since the beginning of our history we have been different. Why did I say during the referendum campaign that Quebec is the heart of Canada?

• (1115)

If our nation is respectful of individuals and communities, it is thanks to French speaking Canadians, who were able to survive throughout the history of North America. You were all by yourselves. Some could not keep their language, but you were all by yourselves and you managed to survive because you knew how to build a community. You have embraced the principles of sharing through institutions such as the caisse de dépôt and the co–op movement. Your contribution to the fabric of Canada is what makes up the soul of our country.

Some people tell us: "Mind your own business." If I am a Canadian, I am not an Ontarian, I am not an English speaking Canadian, I am simply a Canadian who believes her country, without Quebec, would be an empty shell. My country, without Quebec, will lose all we have achieved together. Admittedly, we have problems. There are always problems. But are we generous enough and open minded enough to accept wholeheartedly the changes that need to be made?

[*English*]

Canada is not about cutting the best deal for oneself. Canada is not about carving up power among politicians. Canada is about building a hope and a dream for people around the world who look to Canada for inspiration from a country that can make its differences work.

Let us look at the globe today. People with far greater differences than ours are making enormous accommodations and throwing off centuries of bitterness, centuries of historic hate. We see peace in the Middle East. We see peace in Northern Ireland. We see the peace process in Bosnia. Bitter rivals are laying down decades and centuries of hatred and destruction and

they are finding accommodation. We thank God that in this country we do not have such hatred to overcome.

[*Translation*]

The city of Shawinigan is twinned with mine. It was my father, a guy from Northern Ontario who spoke French slang, who twinned those two cities in the sixties. What do working people in Shawinigan and Hamilton want? They want us to be able to give the best to our children.

My grandmother was a widow, who raised six lads in Northern Ontario. She was penniless, and could not afford university for her children. Neither my father nor my mother went to university. But all their children did because, in the sixties, we tried to improve the situation in Canada to give more opportunities to more people.

Our current fiscal circumstances are difficult, and we live in a period where we tend to withdraw into ourselves. But is that the way to have a strong country in the next century? The country we have can be a leader in the world and meet the challenges of the 21st century. I sure of that.

[*English*]

This summer in my riding of Hamilton East we will be twinning with families from Shawinigan. One hundred and fifty Shawinigan families are coming to Hamilton for the 150th birthday of my city.

I am not afraid of public reaction to distinct society and veto rights. I am not afraid of people's reaction. The people said very clearly and in great numbers in Montreal that they were prepared to embrace real change. They were prepared to understand that the distinctiveness of Quebec forms an important part of the heart and soul of Canada.

We are not hearing here today the voices of the people. They are the voices of the power brokers and the politicians who want to carve Canada into little pieces. The Bloc has an agenda. It wants Quebec without Canada. The Reform clearly wants a Canada without Quebec. Will regional expressions of difference, of making us smaller, of cutting us into little pieces, giving a little power to a politician here and taking a little power away there solve our problem? I know what will solve our problem.

• (1120)

[*Translation*]

What will solve our problem is the linguistic heritage we got from French speaking Canadians, if we prove able to meet new challenges thanks to the generosity and historical background of our country.

[*English*]

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt but the minister's time has expired.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Madam Speaker, today, I can understand the emotion the minister is feeling as she comes to realize how little she can do to change the situation for which her government is responsible.

She also realizes that what she is offering on behalf of her government, because she is part of that government, means almost nothing to the people of Quebec. What I want to tell the tearful minister we saw today is that she should have shed her tears when her leader, the current Prime Minister of Canada, killed the Meech Lake agreement. That is when she should have shed tears.

She should also have cried when the Prime Minister of Canada—who was only the leader of her party at the time—skulked around and tried to influence the Charlottetown accord negotiations. She should have shed tears then to try to convince him to listen more closely to what Quebec was saying.

She should also have shed tears these last two years every time her government held a caucus meeting to say no to Quebec and to the historical demands of our province. That is what she should have done.

Today, her tears come a little too late, and she has only herself and her own government to blame. I think the Leader of the Opposition made it clear yesterday and again today that we can expect nothing new from English Canada. We can expect nothing new from the other side because, besides paying lip service and telling us: "We love you, Quebec", they have come up empty–handed.

So, please, let us have a little less fuss and a little less show of emotion here. Let us try to remain clear–headed in our remarks and our approach in this House and have a very civilized debate, which is what we, in the Bloc Quebecois, intend to do.

Ms. Copps: Madam Speaker, I was there for Meech Lake. I voted for Meech Lake. I worked hard for Meech Lake to pass, but someone jumped ship before it did.

I am clearly not a dear friend nor a real chum of Brian Mulroney's. But the one who stabbed him in the back by jumping ship one month before the end of Meech was the Leader of the Opposition.

When he was needed and the pressure came on, Mr. Bouchard left. I was there till the end to support Meech Lake. The one who was not there, the one who resigned and did not have the guts to speak directly to his real chum, his dear friend Brian Mulroney, that one was Lucien Bouchard. An if you are looking for one who did that, I am not the one—

[*English*]

The Acting Speaker (Mrs. Maheu): The time has now expired. We should refer to members by their official titles.

[*Translation*]

Ms. Copps: Madam Speaker, I was there till the end. I know how hard it was. But one thing is sure with the Leader of the Opposition and that is that every time life becomes harsh, he takes off. He left the federal cabinet one month before Meech failed, without even having the decency to speak directly to Prime Minister Brian Mulroney because the pressure had become too much for him.

Mr. Bellehumeur: That is not true. He resigned after Meech Lake.

Ms. Copps: It is true. Pardon me but he resigned one month before the Meech Lake failure. To refer to history, you have to at least know it. I know it, I lived through it, I was here and the one who jumped ship before the end was Lucien Bouchard.

• (1125)

[*English*]

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, the veto seems to be falling back on the old premise that Quebec supports the concept of two founding nations.

Would the hon. member who just gave such a heart rending emotional speech care to comment on the *La Presse* Gallup poll released this morning? It stated that 42 per cent of Quebecers polled support the 10 equal provinces scenario while only 37 per cent polled actually believe in two founding nations. The government clings to an outdated way of thinking.

Ms. Copps: Madam Speaker, I tried to point out that if we are to build a future as a country we have to understand our past. We have a country that is generous. It is known around the world as being unique. We have a country where one–third of Canadians claim neither English nor French as the mother tongue. I am very proud in the riding of Hamilton East to represent them in Parliament. Why do we have this generosity of spirit?

The Acting Speaker (Mrs. Maheu): Order. The time has expired.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, I am happy to rise in support of Bill C–110. If there is one overriding purpose here it is to put an end to the 30–years war.

For the last 30–35 years since the quiet revolution in Quebec the best minds in Quebec and in Ottawa have been preoccupied with a constitutional debate. It is good fun. It has brought forth an army of special constitutional carpetbaggers and others, highly paid professional lawyers, professors who are available to give opinions on either side, open line talk show hosts and journalists who have grown up in one profession. They will all be sorry to see it go but it must end.

There are more important problems today. Those are the economic problems that face us all of creating jobs, unemployment, and promoting economic growth.

Even within the narrow area of government and public administration the excessive preoccupation with a Quebec problem too narrowly defined has been at the expense of examining rationalization and modernization of the constitutional governmental system. It is time to move on. What we can call the Chrétien package is an attempt to do that on a basis which the country will accept.

It does have the two elements, the distinct society and what perhaps incorrectly has been called the constitutional veto. I was not part of the committee that drafted it, but in an open caucus where all ideas were put forward I brought together ideas that reflect those of my own constituents and the people in British Columbia who want one Canada and want Quebec to be part of it.

If distinct society is defined it should restate what historically is a matter of faith but also law, has been accepted by Canadians and is reflected in those great constitutional international acts of 1759, 1763, 1774 and onward. In so far as changes are made, they should not be formal constitutional amendments and thus be a roadblock to constitutional change in the future. That has been done. These matters are recorded in acts of Parliament and in accordance with the sovereignty of Parliament. Within the constitutional limits established by the Constitution they are capable of being re–examined and changed by ordinary legislation.

• (1130)

In a certain sense these are yesterday's problems. The attempt is honourably to dispose of them and to move on to the new problems, to get away from this excessive preoccupation of the last 35 years that at some times seems to occupy 85 per cent or 90 per cent of the time in Ottawa and Quebec City. That is much too much.

Since Bill C–110 is directed to the issue of constitutional change and its process, the issue of how do constitutions change has been raised. We have to recognize honestly that the constitutional amendment of 1982, chapter V, is a réforme manquée. It was an attempt to make a change, but it was not made.

Under the old conventional system that ultimately turned on an act of the British Parliament passed at the request of Canada, the Constitution had a large degree of flexibility. Today it is rigid, virtually impossible to change. In fact the only two measures put forward in the last 13 years, Meech and Charlottetown, have both failed.

So we do face the paradox that we have a rigid constitutional system and indeed any attention to this in a certain sense borders on being frustrated in the future.

Constitutions are living documents. If they are not, they fail. Constitutions do change. Large masses of our constitutional law change by constitutional convention and custom.

I would have said that the role of the Senate as a non–elected body conventionally follows that of the House of Lords. If you do not have the legitimacy of election, you do not interfere with legislation that is passed by a democratically elected lower house. I notice the Senate has been avoiding this in recent days. We may perhaps have to remind it of this.

I simply point out that constitutional conventions through executive glosses is one way of changing a constitution. Constitutions change by judicial legislation. In 1982 I and others suggested to Prime Minister Trudeau that we consider a constitutional court, as they now have virtually throughout Europe in this post–communist reform and in Germany and other countries. Even so, the constitution changes through judicial interpretation.

Lastly, a constitution changes through the exercise of constituent power. Ultimately, all constitutional power comes from the people. It is quite clear that the country has the capacity to renew itself through an act of total revision at some time. It is not defined in the Constitution, but it is the ultimate source of power.

For those who worry too much, and I think unnecessarily, on reading this law and ask if we have put ourselves into a second constitutional strait–jacket after the 1982 amendments, the answer is no. I believe this generation of Canadians and British Columbians, many of whom I have taught, the many hundreds of thousands who have communicated their desire for one Canada, all have a rendezvous with the Constitution Act, if not this year then certainly by the end of the century. I think the new plural society we are getting in Canada today makes us a very unique country, a very distinct country in relation to the rest of the world. Multiculturalism is a living example of co–operation. I think we will find people will sit down and ask for a new constitutional charter, but not now. These people still have to be integrated in the political process. But it is occurring, and it is occurring before our eyes.

In the meantime, the government is committed to pressing for constitutional change in other areas, using the fact that by executive example and discussion and negotiation—friendly relations and co–operative federalism—the system can be changed. Transfer of power, not in an abstract sense, with those battles of the 1960s and 1970s before the courts, but identifying common problems all three levels of government need to work on together, is what the government is focusing on.

We have seen this in the third element in the Chrétien package that has been brought forward. It is going to occur in many more areas, such as in the electoral system and actions on the Senate, which may require going to the Supreme Court. We cannot do it through the 1982 amending procedure. There is the role of the cities. We are responding to the new transnational societies of which Canada is a part. This is key to the 21st century. All these things are going on.

• (1135)

The Prime Minister has responded to the Quebec referendum vote in a way that can rally enough support throughout Canada. It has to be an all–Canadian response. However, constitutional change will go on. We will see more and more emphasis on co–operative federalism, change through give and take and discussion at all levels of government. Federalism, if it involves power sharing and common decision making, also recognizes that federalism is more, as Prime Minister Trudeau once reminded us, than a collection of shopping centres. There is a national role, national norms.

That is the challenge. The message is let us move on and bring peace to the Thirty Years War. Let us move on to the real economic and social problems. If we get that message, frankly, we have done honour to those who voted in the Quebec referendum on both sides and we have done something the people of Canada will understand and support.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, I congratulate my colleague on a very eloquent speech.

I had a chance to travel abroad on a trade mission and I met with many government officials in different countries. The first thing they asked me about was what is happening in Canada.

Canadians, including those in the province of Quebec, have to look at Canada from the outside. We have to leave the country for a while in order to appreciate what we have in Canada.

On an annual basis, in excess of ten million residents of other countries want to come to Canada. They believe, as do I, that this is the finest country on earth.

It is beyond me why my colleagues in the Bloc Quebecois will not consider what the government is proposing and try to make it work. Give us a chance to make it work. That is the hope of many of the people in my constituency who have written to me or called my office. They have asked me to stand in the House to call on my colleagues in the Bloc Quebecois to make an attempt to make this work.

I want to ask my fellow caucus member if he has heard from his constituents who have come from different parts of the world. Have some of those people shared their feelings about their love for Canada? If they have, I would like him to share that with the House.

Mr. McWhinney: Madam Speaker, I am happy to respond to my colleague, who is one of the most thoughtful members of our party and very much dedicated to the building of a new pluralistic Canada. We are a community of communities, in the sense Martin Buber offered. The interesting thing is that this society

works. People are co–operating. People are working together. We are integrating the new communities into the political processes.

I told the Prime Minister the other day that British Columbia is the most distinct society of all because we have more national communities integrated into the political processes and working together. The message British Columbians are sending is that this country can function as a plural society. It is doing it already.

One understands the distinctiveness of the French language and French culture in Quebec. We are prepared to respect that. However, we ask for similar respect for our distinctiveness, our culture, and the recognition that the larger Canada brings together all these elements into a new national outlook.

I believe the reason the Prime Minister is receiving these messages from all around the world is because we have succeeded. This is not Bosnia–Herzegovina. I could name many countries around the world where nationalism exists in an intransigent sense. We have found the formula, and that is the message we are trying to carry in our approach to constitutional governmental change, change in the federal system in the balance of our term.

• (1140)

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I would like to ask something of the member for Vancouver Quadra. In law, as you know, we often say that the greater includes the lesser. However, in the bill tabled this morning, it seems that they are saying that the lesser includes the greater.

I am totally confused. We rejected a lot more in the Meech Lake accord, but they are now saying that, in this proposal, they are responding to the wishes of Quebecers who voted no. Yesterday, they talked about the notion of distinct society in an insipid and dull declaration, just like we do with motions dealing with the national scouts week. Yesterday's motion had a similar effect. Today, a bill was tabled and I would like to ask the member how he can expect that we will accept something that we have already rejected in 1992, which was a lot more than this?

Mr. McWhinney: Madam Speaker, I would to say to the hon. member that I worked as constitutional advisor to many Quebec premiers. I was a member of the commission on French language and language rights in Quebec. For my part, I always believed in the tremendous potential and flexibility of the federal system, which can decide that bills such as premier Bourassa's Bill 22 and even Bill 101 can still be essential parts of the Government of Quebec as well as of our Canadian federal system.

The message in all of this is that the existing flexibility of our constitutional system will stay. We must have faith in the future. We are ready to give Quebec what we can under the existing Constitution, which is very flexible.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Madam Speaker, here is a perfect example of why the Bloc Quebecois has its place in Ottawa. We are here to face a government that is constantly insulting the intelligence of Quebecers. It is with great reluctance that we are debating Bill C–110, which will go down in history as the last insult the federal government inflicted upon Quebecers.

Bill C–110 proposes a formula to amend the Constitution of Canada. It is simply a federal statute with all that it entails. It does not change in any way the amending formula since the procedures for amending the Constitution of Canada can be modified only through the procedure set out in section 41 of the Constitution Act, 1982. I will come back to this later on.

This bill does nothing but restrict the federal government's discretionary power to propose resolutions authorizing constitutional amendments. All in all, the federal government, being generous as it is, is lending to the provinces its constitutional veto. This bill brought forward by the Prime Minister and his associate, the Minister of Justice, adds to the numerous amending formulas already provided for in the Constitution Act, 1982.

It will take a Ph. D. in constitutional law to be able to understand all that. Let us take a look, if we may, at the amending formulas already provided for in the Constitution of Canada. Four legal procedures for amending the Constitution are set out in sections 38 to 44, Part V, of the Constitution Act, 1982. The most demanding formula applies only to fundamental changes to the Constitution.

Amendments in this category must be authorized by resolutions of the Parliament of Canada and of the legislative assembly of each province. That is what we call the unanimity formula. There is also another amending procedure for changes in the distribution of legislative powers between the federal Parliament and the provincial legislative assemblies.

• (1145)

It is the same procedure that must be followed to amend most of the provisions of the charter of rights and freedoms.

The changes must be approved by Parliament and at least two–thirds of the provinces that have combined populations of at least 50 per cent of the population of all the provinces. This is what we call the seven and fifty amending formula. It provides that major amendments could be made to the Constitution

without Quebec's consent, because if Ontario were among the seven consenting provinces, the population requirement would be met.

The third formula relates to amendments concerning one or more provinces. They include changes to provincial boundaries and the use of English and French within a province.

The fourth procedure is found in section 44 of the Constitutional Act, 1982. It concerns changes to the executive branch of the Canadian government, the Senate or the House of Commons.

Now the Minister of Justice is proposing a fifth amending procedure. In the future, one will have to be very clever to be able to amend the Constitution.

Not only is the bill introduced by the Minister of Justice an insult to Quebecers, it is the deathblow to the Constitution.

The minister insults us by pretending to be following up on the promises made by the Prime Minister during the referendum campaign. He takes us for turkeys and is trying to shove his right of veto down our throats. He is debasing the concept and letting four regions of Canada use the federal's right to veto.

If anyone in this House believes that Bill C–110 does more than simply lend something from the federal to the provinces, he or she is sadly mistaken.

Not satisfied with adding to the constitutional jumble, the minister is strutting around saying he has a new formula for us. But it is a rehash, a déjà vu.

What the minister is serving up is a diluted version of the 1971 Victoria formula spiced to the taste of the day. Federal mandarins have not waited long before showing their true colours. The only solution found by this hypocritical government was to brush away the cobwebs from the Victoria formula of 1971 and take the right of veto out of it. A new and improved formula. What nonsense.

When the Prime Minister, through the Minister of Justice, introduces a bill proposing a regional right of veto and a motion dealing with the distinctiveness of Quebec, he adds insult to injury. He could not care less about Quebecers.

Neither the present Prime Minister nor his successors will be legally bound by the amending formula. If, God forbid, it should become a law this formula would be an ordinary act like any other act and it could be repealed any time by the federal government.

But how can we debate something we do not want to talk about any more? The Victoria formula was one of countless negotiations on constitutional reform. Those negotiations have been held ad nauseam but to no avail, except perhaps to deprive Quebec of the means it needs to develop itself in the Canadian federation.

Efforts to corner Quebec have been such that the province is stifled and can only survive by acceding to sovereignty. The justice minister is wasting his time and ours. Do you believe that after all the affronts it has been subjected to, Quebec is going to accept such a proposal? I remember. Like all Quebecers, «Je me souviens.»

Let us remember the so–called Saint–Laurent amendment of 1949, the 1960 Fulton formula, the 1964 Fulton–Favreau formula, Quebec's refusal of the Fulton–Favreau formula, the 1971 Victoria formula, the attempts by Pierre Elliot Trudeau in 1976, the 1978 and 1979 conferences, the Pepin–Robarts formula, the conference of September 1980, the patriation project of October 2, 1980, the infamous patriation of the Constitution in 1982, the 1987 Meech Lake Agreement, Meech II and its defeat in 1990, the Charlottetown accord and its defeat in 1992.

• (1150)

We will remember those 35 years of constitutional setbacks. The most recent affront sustained by Quebec is one too many. The Prime Minister of Canada, through his Minister of Justice, is today signing the death warrant of any possible constitutional reform.

The Prime Minister is swaggering about and boasting about his empty proposals. He has a short memory. He should play the recording of the address he made to the nation four days before the referendum of October 30.

I will never forget the sight of a desperate Prime Minister who did not have a clue about what promises to make next in order to win votes. A contrite and humble man.

Many believed in this Greek tragedy. Many fell for it and believed the Prime Minister's promise to make changes. Today, the Prime Minister is patting himself on the back, but there is nothing to be proud of. Bill C–110 is a big bubble that is bound to pop sooner or later. Everything has its limits.

The real purpose of the Prime Minister is to muzzle Quebec by stopping any future constitutional change. His right of veto is nothing but an illusion aimed at drowning Quebec in the Canadian sea. One people from coast to coast, with a wall to wall nationality.

This bill is a rehash of the 1971 Victoria proposal. In an article entitled "Modifying the Constitution or mummifying Quebec", in *Le Devoir* of May 15, 1971, Jacques–Yvan Morin had this to say about the Victoria formula: "You do not have to be a rocket scientist or even a sociopolitical expert to see what insurmountable problems Quebec will experience as soon as it tries to gain some significant change. Not that the amending formula is bad in itself—it would be perfectly acceptable in a homogeneous English state—but it does not take into account Quebec's aspirations or rather, it does, but to quash them".

I go on with the quote: "All in all, the anglophone provinces and the federal power are telling Quebec it can seek more powers and make as many major plans as it wishes, but it is only through them that it will achieve these goals. The new formula is the antithesis of the peoples' right to self determination. Under a benevolent exterior, federalism is in fact hiding dregs of colonialism".

Although this was written 24 years ago, it is surprisingly contemporary. This is to say that the federal government has not progressed that much since then. It is still intent on mummifying Quebec. Between the Victoria formula and the Meech Lake Accord, Quebec was taken for quite a constitutional ride in 1982.

As we remember, in 1980 Pierre Elliott Trudeau, the then Prime Minister, and Jean Chrétien, his trusted lieutenant, had solemnly sworn to renew the Constitution, taking into account Quebec's interests. The Constitution forced on Quebecers in 1982 decreases Quebec's fields of exclusive jurisdiction. Moreover, Ottawa gave itself authority to amend the Constitution without Quebec's agreement. Quebec's right of veto disappeared. As a result, Quebec has had no say on constitutional amendments likely to change its political future.

The unilateral patriation of the Constitution substantially reduced Quebec's legislative powers in matters of education and language. Since the patriation of the Constitution in 1982, the federal government has had a field day. It has continually intruded on matters under Quebec's jurisdiction, especially regional development, manpower training, cable television and several cultural areas.

• (1155)

Then the whole constitutional process got bogged down at Meech Lake.

When we talk about Meech Lake, we talk about the accord signed in June 1987 by the eleven first ministers of Canada. It was aimed at reintegrating Quebec into the Constitution "with honour and enthusiasm". There again, the results reflected the ill will of the federal government and of the English provinces.

Quebec had offered to sign the Canadian Constitution provided five minimum conditions were granted. Namely, distinct society status for Quebec; more power in matters of immigration; limiting federal spending power in Quebec's fields of jurisdiction; Quebec's participation in the appointment of judges to the Supreme Court of Canada; and finally, the right to veto constitutional amendments.

In June 1990 New Brunswick, Newfoundland and Manitoba reneged on their signature, thereby sinking the accord. Despite last minute negotiations at the premier level, Manitoba and Newfoundland refused to ratify the accord.

The day after its failure, the Prime Minister, who is now pushing a bill which is not worth the paper it is written on, embraced one of the most vociferous opponent to Meech, the Premier of Newfoundland, Clyde Wells. A Canadian version of Judas' kiss. I remember quite well, Madam Speaker.

The failure of the Meech Lake Accord, which was to be the answer to the basic requirements of Quebec and bring the province back into the constitutional bosom with honour and enthusiasm, definitely proved that Canada refuses to recognize, among other things, the distinct character of Quebec. This week, the Prime Minister went so far as to reduce the distinct character to the level of a simple resolution of the House of Commons, without any legal meaning.

We can certainly congratulate the Prime Minister for his consistency. He remains as sly as ever.

Let us continue our constitutional tour. In August 1992, the Charlottetown Agreement was signed by all representatives of Canada: ten provinces, two territories, four aboriginal organizations and the federal government. It was a "made in Canada" response to Quebec's legitimate requests.

That agreement was a watered down version of Meech Lake and Meech Lake number two. Among other things, it recognized Quebec as a distinct society, accepted the transfer to Quebec of all responsibilities in the cultural area and stated that the federal government would withdraw from municipal affairs, tourism, recreation, housing, mining and forestry.

On October 25, 1992, 57 per cent of Quebecers rejected the Charlottetown accord. They considered, with reason, that the agreement would give them only crumbs. The rest of Canada also turned down that agreement. English–speaking Canadians voted against it because they thought it gave too much to Quebec. Again another striking example of their love for Quebec.

In spite of his commitment to negotiate on a one to one basis with the federal government, Robert Bourassa agreed to negotiate with representatives of nine provinces, two territories, four aboriginal organizations and the federal government. He even approved the agreement which gave Quebec even less than the Meech Lake Accord.

For 35 years now, Quebec's requests for more power in the cultural, social and financial areas have been constantly rejected by the rest of Canada.

Again today, the federal government is laughing at Quebecers with this bill. I say this to the government: the constitutional circus is closed for good; stop acting like clowns.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, the hon. member spent a lot of time talking about the process and much time lecturing us on the history of the last thirty years.

Like me, millions and millions of Canadians were not here during the last thirty years.

• (1200)

They were not here in 1947, nor in 1911. Millions and millions of Canadians came after that. Like me, these people and the rest of Canada are interested in finding a permanent solution. We are not interested in the process, we are interested in the objective. We want to find a solution which is comfortable for the francophones in Quebec and the anglophones and allophones in the rest of Canada.

Everywhere in the world we see borders being taken down. If you take the example of the European Union, you can see that borders are disappearing fast, even in France.

With the new information technologies there are ever fewer borders between countries all over the world, whether in Asia, in Europe, in Africa or in North America.

I wonder why our colleagues do not stop being so vicious, so idiotic and so indecisive. Why do they not give us a clear picture of what they want? Do we want to build a multicultural, multi–ethnic and multi–community country for all Canadians? Or is the final object the separation of Quebec from the rest of Canada?

Indeed, we are wasting time talking about process and history. I was not here in 1841 and I am not interested in what happened in 1841, in 1857 and in 1911. What I am interested in is a modern country, because Canada is the best in the world. The best country in the world, as we have been told twice by the United Nations.

I ask my colleagues to focus on the real problems of Quebecers; the real problems are the economy, the unemployment rate and the political instability that are affecting many business people who are thinking about investing in Quebec or doing business with Quebec. Thanks to my colleagues from the separatist party in this House, they are saying: we will wait until there is stability.

Let us hurry up. Let us work with the Prime Minister, with the current government, because this government is willing to find a permanent solution to this crisis. The time has come. The time has come to let go of things that happened 2,000 years, 200 years, 20 years, 30 years ago. Let us talk now about the future.

Mrs. Venne: Mr. Speaker, I am quite astonished to hear a member of Parliament tell us that he is not interested in the past. I must admit seriously that this is inconceivable, when we know that analyzing the past allows us to avoid making the same mistakes.

Mr. Bernier (Mégantic—Compton—Stanstead): The past is the key to the future.

Mrs. Venne: As my colleague just said, the past is indeed the key to the future.

That someone would have such a vision of society is really astonishing, but I do not want to insist further. I think that he just got carried away.

On the other hand, when he asks us if we intend to build a country, then obviously, we say yes. That is our goal. We want to build a sovereign Quebec, an independent Quebec.

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, I have two comments for the hon. member opposite. First, I must point out that the purpose of the European Union is not to eliminate borders, but to preserve its member states' sovereignty while delegating, collectively and sovereignly, some of their powers to a common authority. In other words, the European Union is doing precisely what we intend to do in Canada. It is showing us the way.

• (1205)

My second comment concerns the best country in the world. I have had enough of hearing that Canada is the best country in the world. If Canada is so terrific, it is not because it is a federation. It is because Quebecers and Canadians are active, inventive and energetic people, but it really has nothing to do with being a federation, because many other federations exist where there is no prosperity, Russia, for example.

The system is not what makes us a good country, Canadians and Quebecers do. If the country was split in two, both halves would still have the same qualities, because, when you slice a cake, each slice is as good as the whole cake.

Mrs. Venne: Mr. Speaker, I can only commend my colleague for Blainville—Deux–Montagnes for his excellent comments. I totally agree with his words.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am absolutely delighted to take part in this debate today.

It is very interesting that I have the opportunity to make my remarks on behalf of the people of Halifax and Nova Scotia in the wake of that impassioned intervention by my hon. colleague from the official opposition. There is no question that this is the best country in the world in which to live. I am not going to argue the whys and wherefores with the hon. member because a universal truth is a universal truth. The universal truth is that Canadians from sea to sea to sea are the most fortunate people on Earth.

I come from what is normally known as a have not part of the country. It is quite true that there are many things that we have

not in Nova Scotia. However, one of the things that we have, one of the things we opted for and one of the things we chose was Canadian citizenship. It is something we hold most dearly and most preciously.

It is not merely because we live in Nova Scotia, which I think is the best place in Canada to live, just as I know my hon. colleague, the Minister of Citizenship and Immigration, thinks that Toronto and its environs is the best place in Canada. I know that my hon. colleague from St. Boniface thinks that Manitoba is the best place to live and my colleague from London thinks that London is the best place. My colleague right over there from Alberta thinks Alberta is the best place to live. We all look at the rest of the country as the setting for our own particular jewels.

I want to speak today to the passion which came from my colleague from the province of Quebec. I understand that passion as I think we all understand it, but that does not need to diminish our Confederation or our country.

On Saturday I attended a meeting back in my riding. I sat next to a prominent Nova Scotia businessman. He raises money for all sorts of good causes, one of them being the Liberal Party. He told me he had been called upon by the premier and the minister of public works to help raise money to ensure that students and seniors who wanted to go to the rally in Montreal were able to go. He said that in over 20 years of being a fundraiser for various charitable causes and various political causes, he had never raised money so quickly. There was such a good response and such an absolute desire on the part of the people he called to contribute and to help because it was for our country.

• (1210)

In my own family, my father's two surviving brothers went to Montreal after World War II and raised their families there. It is very interesting because my cousins in Montreal are a microcosm of Canada. Some of them have Irish last names, some of them have English last names, some of them even have Italian last names, and some of them have French last names.

In my family while we may not be pure laine, we are purely Canadian. My cousins who live in the greater Montreal area will say that they are Quebecois and they are proud Quebecois. They and their children will continue to be proud Quebecois.

The whole point of this debate, the whole point of this resolution is to follow up on a promise made by the Prime Minister on the responses of Canadians right across the country to the fact that Quebec is indeed a distinct and integral part of the Canadian federation, a distinct and integral part of the Canadian identity. We could no more see Quebec leave our federation than we could as individuals cut off an arm or a leg, or lose an eye.

As we debate this here today and in subsequent days, it is terribly important for each of us to listen to each other and to understand that one region of Canada does not seek and never has sought, at least not in modern times, to defeat or humiliate the other side.

That day in Montreal when I saw 150,000 Canadians converge in that square, I knew I was part of something very special. I knew that approximately—numbers are hard to be absolutely sure about—40,000 Canadians came from the other regions of Canada. There were 150,000 people in the downtown core of Montreal. It is clear that a vast majority of the people in that downtown square were Quebecois. They were people who were saying to their fellow Canadians: "We want to stay. We want to hear from you that you understand we are different".

Whether we are from Quebec, Newfoundland or British Columbia, we do understand that there is a distinctiveness and a difference in our fellow citizens in la belle province. We know their language, although that too is shared with francophone Canadians in almost every other province and territory. We know their culture and the incredible richness that is the ongoing Quebecois culture within the Canadian mosiac is something that every Canadian benefits from, not just those within the borders of Quebec itself. We know Quebec's civil code again makes them different and distinct from the rest of us.

Every single one of us celebrates that difference. We celebrate the fact that we can share. We can build a Canada that is a better place, whether one's language is English or French, whether one's ancestral origin is western Europe, eastern Europe, Africa, the Far East, or whether one is an aboriginal Canadian. None of these things matter in the desire to make a better place for our families, our children and our communities. I do not want my friend over there to be upset or to take this the wrong way. What matters is that this country is the best place in the world to live, whether you live in Quebec or Manitoba or Nova Scotia. Yes, we have problems, problems that those of us here in the House must work together to solve.

• (1215)

Most of us in the Chamber have had the opportunity to go elsewhere. We have seen the Russian federation. We have seen countries of the world where people are clamouring to come to Canada, to Quebec, Ontario and British Columbia. We are trying to make them clamour to come to Nova Scotia too. Some day they will find out that is a good place to live as well. They are clamouring to be part of this incredible and unique and crazy idea which is Canada.

I think we all understand the desires for recognition in the hearts and minds of our colleagues from Quebec. We are saying that there are similar desires in different areas for all Canadians. We cannot maintain this incredible and bizarre idea, this federation, this country, by standing back and hurling implications at each other. It cannot be done by being accusatory or by

suggesting motives that are less than applicable in these situations. It is done by reaching out to each other the way we reached out in Montreal on that incredible Friday and the way all Canadians, English and French and allophone continue to reach out to each other.

As many have said, this resolution is a step in that direction. It is something that the federal government, the Prime Minister and those on this side of the House sincerely believe is a response to the things the people of Canada asked us to do, including the people of Quebec.

[*Translation*]

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, I listened carefully to what the hon. member opposite was saying, and I would like to comment on some aspects of her speech.

For instance, she made a big thing of this reaching out to us by people from western Canada, from Vancouver and Saskatchewan and the other western provinces. I want to tell her I do not question the feelings of love and affection these people showed Quebecers, except that it was made very easy for them. For instance, air fare from Vancouver to Montreal probably costs from $2,000 to $3,000, and these people got their tickets for $150 or $200. Now what if the situation was reversed? If Quebecers wanted to go and visit Vancouver, I am not so sure people would do us a favour and offer us tickets at $150 a piece. One starts to wonder how genuine this love and affection was. It was a great opportunity to visit Montreal on the cheap.

And I also noticed in her speech that she referred to Canada as a wonderful host country for immigrants. I agree, but what difference would it make if Quebec became sovereign? Immigrants who want to go to Vancouver or Halifax, or Saskatchewan or Quebec would still be able to go there.

• (1220)

In our blueprint for a Quebec society, we did not say that if Quebec became sovereign, we would stop immigration. I think the civility and warmth that are typical of Quebecers would make Quebec a very good host country for immigrants. I see no problem there. Why this claim that immigration can only work within this so–called great Canada? I do not understand.

Are you implying that a sovereign Quebec would not be a good host country for its immigrants? Is that what you mean? Is this Canadian federation the one and only panacea? Is it impossible for a sovereign Quebec and English Canada to each find their own way outside this Canadian federation instead of going on as we have done for the past thirty years and wasting time, money and effort, on all this constitutional wrangling?

In Quebec, successive provincial governments from Jean Lesage to Mr. Parizeau have tried time and time again to find ways to stay in Canada, but they never succeeded. Are we going to go on for another thirty years about Meech Lake, Charlottetown and constitutional problems? We are fed up. We want to go on to other things. We have tried everything, but nothing works.

We never managed to reach an understanding. What makes you think that by continuing the constitutional debate between English Canada and Quebec, we would manage to agree? When I consider all the attempts made during the past thirty years, I see no reason to believe that continuing this useless debate will accomplish something positive. Instead of this endless bickering under the same roof, we would be much better off as good neighbours.

Ms. Clancy: That, Mr. Speaker, is unfortunate. I did not say anything about Quebec not welcoming immigrants. The province has a good immigration agreement with the federal government.

[*English*]

At no time did I suggest that immigrants were not welcome in the province of Quebec. I did make reference to the question of pure laine and by implication to the remarks by Mr. Parizeau. However, I do not by any means attribute those to Quebec and its history of welcoming immigrants.

It was unfortunate my colleague cast the kind of aspersions he did in his opening comments. It is clear that he looks the wrong way. He should have listened to my remarks. Perhaps he is not aware of it, but I am not from western Canada. I do not know what the situation was vis–à–vis the airlines.

I have flown to western Canada many times, to your city, Mr. Speaker, and to cities farther west. If the hon. member is not aware of it, even for $50 to get on a plane and fly from Vancouver or Calgary to Montreal, go to a rally for two hours, get back on a plane and fly back to Calgary or Vancouver is not a joy ride. It is exhausting, tiring and cramped. If it is not done out of love then there are thousands of people in western Canada who possibly need to have their heads examined for doing this.

The hon. member is really reaching when he suggests that people took advantage of cheaper air flights to have a good time in Montreal, not that Montreal is not a city where a wonderful time can be had. But I would suggest that very few people had the opportunity to do that on that Friday. Time schedules were very tight.

Second, as the hon. member heard me mention in my earlier remarks, my good friend, the fundraiser, raised all that money joyfully. People just rushed to contribute. Many people from Nova Scotia came at no cost at all because the money was raised by contributing businesses in Nova Scotia. Again, those people did not have any time to enjoy the benefits of Montreal. They

went to speak from their hearts to their love of country and their love of Quebec.

• (1225)

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I would like to start my speech by looking at the situation in which we now find ourselves. I think that Canadians, including Quebecers, have a better understanding of the role played by the Prime Minister of Canada and his government. They understood it yesterday and they understand it even better today.

If we look at the current situation, we have on one side the Bloc Quebecois, which wants to separate. They use words like "sovereignty" but we know that it really means separation. No wonder they refuse to even look at this proposal, to review it, to consider the possibilities. No. What they want is their own country, period, no negotiations, no flexibility, no open mind, no nothing.

On the other side—as Canadians can see—is the other extreme. All they have to say about the government's proposals is, "No, no, no, they are giving too much to Quebec and Quebecers". I find this alarming. The two extremes here in this House refuse to make any efforts to consider what the government is proposing.

[*English*]

I mentioned in the House yesterday that I had checked *Maclean's* of 1989. In one edition in a specific article the leader of the third party suggested that distinct society had certain possibilities. In fact he stated quite clearly that words were not important if people really wanted to get together and work things out. That is what is said in that article.

All of a sudden, no. Why would he think that in 1989 and have no openness today? It is quite clear. From his perspective and that of his advisers there appears to be an opportunity for his particular party, his particular view of Canada, his particular set of policies. Is it Canada first? Absolutely not. It is the party first and whatever happens to Canada, so be it. I find that most unfortunate.

It is also interesting that the question of the regional veto is also one that the Reform members have supported. They want a regional veto to stop certain amendments. I have found that most interesting.

All of a sudden when we propose a veto that does not make a constitutional change, which would give additional protection to the provinces, which adds and does not take anything away, do you think Reform members would explain it that way? Would they attempt to talk with Canadians and say: "This is not necessarily what we wanted exactly but we have a proposal that is not terribly dissimilar to this?" Of course not. Why not? It is quite simple. Again, it is their political agenda. It is their political party that comes first, not Canada. That is unfortunate.

That is why some people see them as two sides of the same coin; that is, we have one party that clearly states

[*Translation*]

"we want to separate from Canada, we want our own country".

[*English*]

and the other party whose members try everything in order to crush, to deride, to set aside, not to look at openly, the proposals that are being made by the Prime Minister and the Government of Canada.

Their policies hold a lot of contradictions. They suggest that they do not want this regional veto, but they have a regional veto on their books. They want one for B.C. but not for Alberta. The last time I checked they were pretty close in population. I guess that is what they want, I do not know. Perhaps they want one for all of the provinces. Perhaps they do not know what they want.

[*Translation*]

I now come back to the issue of distinct society. Distinct is defined as including the language, culture and institutions unique to Quebec. I find this quite commendable and acceptable. Like the vast majority of Canadians, if they made an error in judgment, they will soon find out.

• (1230)

What is interesting, as you know, is that we now need unanimity on a number of issues to amend the Constitution. Nothing can be changed without the provinces' unanimous consent on a number of issues, on which I will elaborate later.

There is another clause providing that no changes can be made without the consent of seven provinces representing 50 per cent of the population. This bill deals mainly with the principle that the 7–50 formula cannot be implemented without the support of the four regions. These regions include Ontario, Quebec, western Canada—which means British Columbia and another province—, and the Atlantic provinces. This means two provinces representing 50 per cent of the total population.

What is really frustrating is knowing full well that the Constitution remains unchanged, that a little something extra has been given to everybody, that they already have a proposal in hand fostering this kind of veto and that they feel their party should come first, and the country second.

I would now like to use the little time remaining to answer the most commonly asked questions. "Why not table a constitutional amendment?", our constituents ask. But we know that the leader of the Parti Quebecois, the potential Premier of Quebec,

has already made it clear that he does not want any constitutional amendment. That is clear.

The purpose of this bill, on the heels of the Quebec referendum, is to show where the elected representatives of the Canadian people stand on this issue, and we will soon know it. We also know that the Constitution requires that a first ministers' conference on the amending formula for the Constitution of Canada be held by April 1997. Constitutional amendment proposals, if any, will be considered at that time. This bill would in fact bridge the gap until then.

There are other questions.

[*English*]

For example, what is covered and what sorts of future amendments would be blocked by this bill? The real impact will be on the amendments covered by the same seven and fifty rule, as I have mentioned, changes to the division of powers in favour of the provinces, changes to certain provisions relating to federal institutions, extensions or additions of provinces in some general amendments.

Another question that is frequently asked is how does this bill differ from what is already in the Constitution. This bill does not change the Constitution or the amending formula. They know that, but of course they are not going to say it. It simply indicates how the government will conduct itself with respect to its own veto. It is willing to loan out its veto. That is what it does.

There are significant vetoes already in the Constitution for provinces individually. For example, each province has a veto over matters requiring unanimity, such as the composition of the Supreme Court and the amending formula itself. Each province has a veto over any changes in its boundaries or the constitutional provisions specific to a province.

In addition, there is the right to opt out of amendments transferring provincial jurisdictions to Parliament and to receive reasonable compensation if the amendment pertains to education and other cultural matters. This gives another type of veto to a province.

The bill creates a regional veto, in effect, with respect to changes to national institutions such as the Senate and the Supreme Court, the creation of new provinces, and all amendments that transfer power from Parliament to the provinces.

Another question raised is whether the Constitution already provides provincial vetoes—does the bill provide for any double veto? There are all kinds of amendments whereby provinces already possess such a veto, such as changes to the composition of the Supreme Court or to the boundaries of a province. They are expressly exempted from the operation of the bill. So too are amendments from which provinces can opt out under subsection 38(3), those which derogate from provincial rights and powers expressly exempted through the operation of this bill.

• (1235)

Would the regional veto formula make it more difficult for Quebec to separate? One view of the constitutional amending formula as it stands now, which is a very common view, is that the consent of all provinces would be required for Quebec's separation.

How would the regional veto formula work in practice? This is a particularly important question because it is the very heart and soul of the issue. When at least six provinces, including Ontario and Quebec, two Atlantic provinces with over 50 per cent of the Atlantic population, and two western provinces with over 50 per cent of the western population have indicated their consent by resolution, referendum or government approval, et cetera, the federal government would be free to proceed with resolutions in the Senate and the House of Commons. If one or more of the regions fail to provide their requisite consent, the federal government would not proceed with resolutions, even though seven or more provinces with over 50 per cent of the population had adopted resolutions under the current amending formula to authorize the amendment.

We have talked about the kinds of combinations that would be required for western and Atlantic provinces to get a veto under the regional formula. I want to repeat this because I think it is important. In the Atlantic provinces, Nova Scotia and either New Brunswick or Newfoundland would have a veto. New Brunswick would be in the same position with either Nova Scotia or Newfoundland as would Newfoundland with either of the others. P.E.I. would not have a veto except in combination with two of the other three.

In the west, B.C. with any other province would have a veto. Alberta would have a veto with B.C. but not with either Saskatchewan or Manitoba alone. Saskatchewan and Manitoba together would not have a veto.

[*Translation*]

It is important to note that we are not dealing with a new veto. The bill indicates only how the existing veto is exercised at the federal level.

I am running out of time. That is unfortunate, because I would have had so much more to say. But I will conclude with, perhaps, one last comment.

As I pointed out at the beginning of my speech, these proposals concerning a distinct society, this bill and the right of veto are all part of an effort to build a better country, a country in which people work together and better understand each other.

The Deputy Speaker: Unfortunately, the hon. member's time is up. Is there unanimous consent to give the hon. member more time?

Some hon. members: No.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I think that our hon. friend from St. Boniface has said enough for now. He will have an opportunity, during questions and comments, to expand on his thoughts concerning the bill before us.

I have a comment for him. Then, I will give him the opportunity to respond to my comment.

I listened very carefully to what our colleague from St. Boniface said. More often than not, in fact I should say usually, he takes things seriously. Having held important functions in Manitoba, he is familiar with the meaning of the words and concepts we are dealing with and he can fully grasp them and deal with them. He must know what this bill we are debating means and how far–reaching it is.

Indeed, I am surprised, to put it mildly, that he is adding so much confusion to the debate. One thing is sure—he said so himself several times in his remarks, both in French and in English—the bill before us does not change anything at all. What we have here is the status quo, no change. If this bill does not change anything, why table it in this House? I will go into this further later today.

• (1240)

You will probably be amazed to hear what has prompted the government to put this bill forward at this point in time. But what I want to emphasize right now is the element of confusion introduced by the hon. member for St. Boniface in his remarks by insisting and suggesting that this bill will actually change something and that a lot noise of noise can now be made around Quebec's new right of veto on any future constitutional change. That is wrong.

At the same time, he says the bill does not change anything, that what we have here is the status quo, that the good people of English Canada, outside Quebec, have nothing to worry about, because there will be no change. Supposedly, all they are doing, the only impact this bill will have will be to give the federal government a new set of rules to go by, under which it will try to determine if the changes it contemplates would garner the support of a number of provinces or certain regions of Quebec and Canada. That is what he is telling us, but basically what he is saying is that there will be no change.

I would personally like the hon. member for St. Boniface to tell us which part of his remarks we are to believe. Which part should we give credence to? The part where he tells Quebecers: "You will have your veto"? Or the one intended for people outside Quebec, which says: "Nothing will change"?

Could the hon. member clarify?

Mr. Duhamel: Mr. Speaker, I am pleased to answer the hon. member's question.

It was certainly not my intention to add to the confusion, and I apologize if I did. I thought I was clear when I said that, for example, provinces currently have a veto. All the provinces have a veto over certain issues. I also said that, as regards other issues, the support of seven provinces representing 50 per cent of the country's overall population was required. I added that this bill would be used to see if we could activate that 7–50 formula.

The member who just accused me of adding to the confusion is fully aware of the situation. This is what is annoying and, if it were not also funny, I would really be upset.

The member is the one adding to the confusion, because he claims that what I said is inaccurate. I invite him to check my notes, to look at *Hansard* and to rise in this House to publicly refute my comments if he thinks they are contradictory. There is no contradiction. It is the constitutional status quo. There is a new mechanism to ensure that some elements of the Constitution are used in a certain way. It is wrong to claim that this will not increase the power of Quebec, Ontario and the other provinces. The member knows that.

I also want to point out that he did not allude to the distinct society concept. I suppose he will again accuse me of adding to the confusion. There is no confusion. We recognize Quebec as a distinct society, because of its language, culture, and unique institutions. There is nothing complicated in that and it is absolutely fair.

If the member is willing to co–operate, I am prepared to do the same and to clarify our terms. It is unfair and wrong to use a term such as English Canada. There is no such thing as an English Canada. We live in a country called Canada, which includes a number of provinces and territories, and the member knows that as well as I do.

In making such a comment, he tries to put in the minds of Quebecers the notion that French is spoken in only one part of the country. I, for one, am proud to speak French. Some people back home, and west of it, speak it better than I do. There are quite a few of them. As the hon. member knows, there is also quite a large number of people in Atlantic Canada who speak French and who are proud to do so.

• (1245)

It is misleading to use the expression English Canada, as the hon. member did, because it is both inaccurate and wrong. I must say that he is not the only one to do so. I would appreciate it if he and his colleagues made a commitment to stop using that expression.

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I remind the Chair that I will be splitting my time with the hon. member for Vegreville.

As I speak to this unity debate I am very mindful that I represent all of the people of Edmonton Southwest. I represent everyone whether they voted for me or for someone else. It is absolutely essential that members of Parliament remember the fact that we represent every one of our constituents and that all 295 of us in combination represent all of the people of Canada, whether they voted for us or not.

When I go home tonight I will be seeing my brand new granddaughter who I have not seen a lot of because I have spent so much time in the nation's capital in Parliament. Everything I do is directed toward my children and grandchildren. It seems reasonable that we in the House should have our eyes firmly fixed on the future.

The tragedy is that so many people of Canada are represented by members in the House who have their eyes firmly fixed on the past. While we all recognize that the foundation of the future is the past, we cannot live in the past. There is nowhere to go. The past is dead. There is nothing in it for us. If we as a nation continue to live in the past, we are never going to spring into the future which belongs to our children.

Our generation and preceding generations have managed to somehow magically saddle our children and grandchildren with a debt which has been built up over a number of years. In addition to that we have saddled them with a relationship of our constituent parts which has been fractious and has not worked smoothly for all of my adult life.

The rest of the country has tried at various times to coerce or to buy the affection of Quebec through constitutional changes, quasi–constitutional changes, outright money or outright advantage. For instance, to satisfy the people of Quebec the now infamous CF–18 maintenance contract went to Quebec. None of this has worked. Constitutionally, we are still at exactly the same place today as we were 30 years ago.

All the primary protagonists of this debate are from Quebec. Every damned one of them is from Quebec. The Prime Minister is from Quebec. His primary advisers are from Quebec. The leader of the Bloc Quebecois is from Quebec. Obviously all of the Bloc is from Quebec. We have to ask ourselves why the rest of Canadians are being dragged along as helpless spectators as these people go through their never ending Gordian knot they got themselves into. It is almost as if the leader of the Bloc and the Prime Minister both represent the past. They are bound so tightly to the past that they are unable to see the future. They are unable to see how Canada has grown and how Quebec has grown since the silent revolution.

• (1250)

I ask myself, why in the name of God are we trying to satisfy the separatists? Why are we trying to satisfy people who would break up the country at the expense of federalists? What is it in the nature of this debate that causes us to be so shortsighted that we would risk the future of the country, that we would risk the west of the country in order to satisfy separatists in Quebec who will never be satisfied?

It is our responsibility to build for the future, not for the past. Our responsibility is to our children and our grandchildren and to their children, not to our grandparents and our parents. It is to the future, not to the past.

On the record I would like to quote from a book entitled *Rights of Man* by Thomas Paine, one of the architects of the American constitution. The American constitution has lived for all these hundreds of years because it is flexible, because it is living, because it has room for everybody in its constituent parts to grow. He states in his book:

> It is the living and not the dead that are to be accommodated. When man ceases to be, his power and his wants cease with him; and having no longer any participation in the concerns of this world, he has no longer any authority in directing who shall be its governors, or how its government shall be organized, or how administered.

Members would recognize the corollary of that in which he states: "The vanity and presumption of governing beyond the grave is the most ridiculous and insolent of all tyrannies". What he is saying is that each generation has the right and the responsibility to govern for its time and should no more bind the hands of future generations than our generation should be bound by the past. This then brings into play the whole notion of whether or not a veto is reasonable in a democratic federal state for anyone under any circumstances based on the notion of tying the hands of future generations.

Everybody had a reason to vote against the Charlottetown accord. Mine was that I did not think it was responsible for our generation to tie future generations into a Constitution that would be so inflexible it could not be changed. Is that any legacy to leave to future generations? Do we have that little trust in our children and our grandchildren that we would bind them to a Constitution in cement?

This brings us to part two of the Prime Minister's new amending formula. If we saw our country from outer space or if we came to this country and we saw this as a blank canvas, how would we and what would we do to make it work? Surely in this country which extends over 5,000 miles from one coast to the other with just 30 million people in it, there is elbow room for everyone. Surely we can figure out a way that we can live together in peace and harmony and with mutual respect. Surely this is not an impossible situation.

The suggestions we have brought to the table concerning the amending formula or veto keep in mind that all of us, every single human being in this country and in this world, are equal by virtue of the fact that we are human beings. When we gather under an apple tree or when we gather in a room and we determine what rights we are going to have, we do not do so based on whether we are male or female, whether we speak French or English, or whether we are black or white. We gather together and through commonality we have governance because we are human beings, because it is in our best interests and our common interests.

• (1255)

How would we go about doing this? How would we make our country work if we had a clean slate and we could start from scratch? It seems to me that if one group in our country feels threatened and feels that the only way the group can protect its future is through a constitutional veto that gives it the authority to ensure that nothing in the future without its consent can have impact on the group's language, culture, civil code or the way in which it has evolved as a society, what is wrong with that? It is a recognition of the obvious, that Quebec is a distinct society. Of course Quebec is a distinct society.

How do we go about recognizing that without at the same time suggesting to other Canadians that they are less distinct or somehow not favoured? We do this with an amending formula based on the regions of the country, but most important the ratification is done by the people through referenda, not by the Parliament and not by the legislatures.

The reason for this is very important. Most Parliaments and most legislatures can have a decided majority yet that majority may only have received a minority of the votes cast. This Parliament is one such example. The Liberals have a huge majority of seats with a minority, 43 per cent, of the votes cast.

The only way we can possibly ensure that changes to the Constitution will bear the imprimatur of the people is to ensure that these changes are ratified through a referendum. That is one exceptionally important reason.

The regions are important because they are and have always been homogeneous groups. The region for Alberta, Saskatchewan and Manitoba has always been referred to as the prairies. Everybody knows that. No one has ever described British Columbia as the prairies. British Columbia is growing at a great rate and in one generation will equal the population of Quebec. Alberta is growing more quickly but is balanced by Saskatchewan and Manitoba. It works, and if it works why should we be tied to an amending formula which came from people who woke up from a Rip Van Winkle sleep and said: "Let us just drop the Victoria amending formula on top of this today". That is not the kind of flexibility we require.

The final comments I would like to put on the table today have to do with how we got into this mess in the first place. How did we go about giving legitimacy to this notion of two nations? How did that come to pass?

We have been blessed with some very fine Canadians over the years. One such very fine Canadian was Eugene Forsey. Eugene Forsey was a constitutional scholar. He was recognized by friends and foes alike as one of the paramount constitutional scholars in our country. All his living life he supported the New Democratic Party. In 1961 he left the party because of the notion of two founding nations which it never was; it was one nation from the very beginning.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, in a hastily planned and executed press conference the Prime Minister announced the Liberal government's agenda for change.

The package the Prime Minister has put forward is both negative and divisive. He offers Quebec distinct society status which Meech Lake and Charlottetown have demonstrated to be divisive. He is offering the regions of Canada a veto power, which means the ability to stop change instead of the ability to offer change, change which is so badly needed in this country.

The Prime Minister gives the provinces control over manpower training. While this might be a step in the right direction, he chose not to go all the way. He offered the provinces the responsibility but the federal government still controls the purse strings.

• (1300)

Bill C–110 proposes to divide Canada into four regions: the western provinces of B.C., Alberta, Saskatchewan and Manitoba; Ontario; Quebec; and Atlantic Canada. The bill gives the four regions a veto over any constitutional amendment which includes changes to national institutions and the creation of new provinces and amendments regarding the distribution of powers. Currently only the House of Commons holds a veto over most constitutional amendments.

The bill is not a constitutional amendment or even an amending formula. It is simply an unenforceable code of conduct for the federal government. The bill promises the federal government will oppose any constitutional amendment, even one Ottawa puts forward, unless the amendment is consented to by the four regions.

The four regions proposal is a slap in the face to western Canada. If all the west, the netherlands as the Liberal government seems to consider the west, is allocated as one region, obvious problems come forth. If sometime in the future B.C. has a population which exceeds the combination of the population of Saskatchewan, Manitoba and Alberta, and that seems very likely, Alberta, Manitoba and Saskatchewan will lose all real power in terms of constitutional change.

First, they lose it to B.C. because if B.C. becomes more populous than the other three provinces together it will have a majority which will carry under Bill C–110.

Second, under the provincial government ratification procedure now in place a change will be able to get the required support of seven provinces without getting the consent of Alberta, Saskatchewan or Manitoba. Clearly the three prairie provinces lose out under this proposal.

Under the legislation if a region refuses consent it vetoes constitutional change. Because the bill is vague Quebec would be able to veto constitutional change through a written statement from the premier, a resolution from the National Assembly of Quebec or a province–wide referendum.

Therefore the bill would provide a veto of any constitutional change the province of Quebec or Ontario did not want. This change gives the current separatist premier of Quebec a veto over any constitutional change. How much sense does that make? I will touch on that subject a little later in my speech.

The bill is not part of the Constitution and therefore the existing amending formula still applies. If the existing formula still applies and we add the new formula, it would not only give central Canada a veto but it might require unanimity.

Bill C–110 would create a system where there are two rounds of provincial ratification with little federal say in constitutional amendments. Under the current system each province has its say. The federal government, presumably acting on behalf of a united Canada, the country as a whole, is a necessary and vital part of the process.

Under the legislation the government proposes to delegate the important responsibility of constitutional change not to Canadians but to provincial legislatures. The provinces will be consulted twice: once under the old amending formula and once by the federal government in determining whether to apply its veto in support of provincial concerns.

The provinces will look after provincial interests and the federal government will ensure that provincial interests are respected. With the federal veto delegated to the provinces, no one will be looking out for a united Canada, Canada as one country, which is what Canada is.

• (1305)

Can the government not see that Canadians deserve more? They deserve carefully thought out proposals made in the open and not behind closed doors and not by a top down centralist government. They deserve forward thinking proposals, not the reheated leftovers of the failed Meech Lake and Charlottetown accords.

In contrast to this negative and certainly divisive approach by the government the Reform Party has offered Canadians a new and better Canada through our new confederation proposal. The proposal includes a plan to modernize and decentralize the federal government by transferring certain powers to the provinces and the people while strengthening other federal powers.

The proposal also includes a plan to renew certain federal institutions. Among the 20 proposals Reform would guarantee provincial control over natural resources, language and culture. Reform would change the federal role with regard to provincially administered social services such as welfare, education and health care. Reform would foster co–operative agreements rather than impose unilateral standards which are enforced by threats to withhold federal funding.

In addition, the proposals would provide for a further decentralization of powers through an overhaul of federal institutions, for example Parliament, the Senate, the Supreme Court of Canada and the Bank of Canada.

These measures would give the power to the people and to the provinces where it is needed. In turn, it would reduce duplication and interference from Ottawa in areas where it is not needed or desired. Canadians have long been concerned about the concentration of too much power in the hands of the federal executive and the cabinet. The proposals give Canadians a new and more accountable system of government for which they have been asking for some time. I believe Canadians want change. They do not want more constitutional wrangling. The proposals can be realized without reopening old constitutional wounds.

The proposals that have been presented demonstrate once again the lack of a democratic approach on the part of the government. We have seen in the past the lack of democracy in legislation, for example Bill C–41 and Bill C–68, the gun control bill, where MPs who dared to vote against the government—

The Deputy Speaker: I am sorry but the hon. member's time has expired.

[*Translation*]

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I should like to point out regardless, and particularly to bring it to the attention of our viewers today, that this is a historic day for Canadians and for all Quebecers as well, of course.

Yesterday the Prime Minister announced recognition of Quebec as a distinct society. Of course, we spoke about a resolution. Today it was decided that we would speak of a veto right for Quebec, as well as for three other regions of the country, of course.

Quebec has also experienced in recent months, in recent years in fact, a debate which has forced the population to make a choice. And the choice Quebecers made in the referendum on October 30 showed that they want to remain within the Canadian federation.

I count myself among those who acknowledge that discussions were stressful at times and that, unfortunately, the Leader of the Opposition did not hesitate to divide Quebecers.

• (1310)

Several conclusions may be drawn, I believe. What people want is change. But some, Quebecers in particular, want change without a break–up. This is undeniably the conclusion reached from the referendum, its results and the interpretation we have made of them after consulting the pollsters. Very nearly two thirds of Quebecers want the Government of Quebec to reach agreement with the Government of Canada in order to move ahead with change, not only changing the Constitution but also, and above all, addressing economic and job creation issues.

I listened with a great deal of attention and interest to the speech the Leader of the Opposition gave yesterday afternoon in this House. I found it regrettable that the Leader of the Opposition, who has always claimed to be a spokesman of sorts for some of the people of Quebec, does not wish to acknowledge that Quebec is a distinct society and is not prepared to support us, the Government of Canada and the people of Canada, in finally recognizing Quebec as a society that is distinct by virtue of its language, laws and culture. I find it unacceptable that a leader, a member from Quebec like the Leader of the Opposition, will not line up on our side to defend the true interests of the province and of those whom we represent.

For some time now, and today in particular, I have had the impression that a number of opposition members will again put federalism on trial, but will unfortunately not take into consideration the progress Quebec has made within the Canadian federation in the last 130 years.

We are well aware that there are only seven million French speakers in Quebec. I have also learned that there are nearly 800,000 or a million allophones, anglophones and so on, who are, of course full fledged members of Quebec society.

However, within the Canadian federation, despite our constitutional differences over the years—which I have had nothing to do with—we are well aware that the average Quebecer has made incredible gains in contrast with individuals in other societies and other countries, which are less well off than Canada and the people of Quebec.

I believe the Canadian federation has, nevertheless, helped build the bases of our distinct society. We have created a telecommunications network, through all sorts of federal offices, Radio–Canada in the 1930s and the National Film Board. We nevertheless allowed Quebec to look after cultural matters and especially to sign agreements not only with other provinces, but even with foreign countries in order to strengthen and guarantee French where I come from, that is, in Quebec. With the close co–operation of the Canadian government, we have assured the influence of the francophone culture not only within Quebec, but elsewhere in the country as well.

We must not forget that francophones may be found in other regions of the country. I am back from a business trip to western Canada. I met francophones in Alberta and in Manitoba. The communities there are dynamic. They depend a lot on the presence of the federal government and on good relations with other communities, including the anglophone community.

I find it unfortunate that, during the referendum, there was an effort to exclude and isolate the French fact outside Quebec.

• (1315)

You know, there is close to one million francophones outside Quebec. Close to 450,000 young anglophones are in French immersion. I believe that this presence was intentionally minimized by the opposition for purely symbolic reasons, but mostly for political expediency.

I believe it is important to tell Quebecers that we are not the only ones, that there are other francophones in Canada. As a matter of fact, we had the privilege to hear one of those, a member from Manitoba, speak in this House, in both official languages, of course. I often have the opportunity to listen to members either from Ontario or New Brunswick. I find it remarkable that, in this country, and especially in this House, there is an increasing number of members, not only anglophones but people of Italian descent or of other ancestries—we have members from all over the world, I believe—who speak French fluently.

If we look at Canada today, especially the make–up of this House of Commons, particularly on this side, it is obvious that bilingualism has allowed French to gain ground across Canada, which is an important breakthrough. I got a note telling me not to hesitate to speak about francophones, indeed, encouraging me to do so.

I noticed, during the referendum campaign and increasingly in the media, that Quebecers have come to one important conclusion. Increasingly, they have come to recognize the presence of francophones outside Quebec, who have a very significant role to play. I admit that I am digressing, but I wanted to show that Quebecers are not the only francophones in Canada. We must support and work in close co–operation with those who are promoting French throughout the country.

I truly believe that, with the help not only of the people of Quebec, but also of people outside Quebec, we are finally going to recognize Quebec as a distinct society. With this in mind, we are inviting the Leader of the Opposition to support us. It is very important, not only for Quebecers, but for francophones outside Quebec, who, from now on, can rely—and why should they

not—on the Quebec government taking an active part in the Canadian federation. This is what we are seeking.

I believe that Quebecers, and Canadians as a whole, are sick and tired of constitutional debates, but I believe that we must seize this opportunity to recognize Quebec for what it is and, of course, Mr. Speaker, before you rise—

The Deputy Speaker: Unfortunately, dear colleague, your time has expired.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I would like to give the member for Bonaventure—Îles-de-la-Madeleine the opportunity to finish his speech, since I realized from his reaction that he wished to have a few more minutes. So, the fact that we are now moving into comments will certainly allow him to continue.

However, I would like to make a few remarks concerning his speech because, as he rightly mentioned, what the member tried to do during the few minutes that he spoke was to tell us how English Canada—even though our colleague from St. Boniface does not want us to use that expression—loves us and how it recognizes the importance of the French fact, since he emphasized that several Canadians are now taking French courses, which is a fact and a good thing.

• (1320)

It is also well known that Quebec is where we find the greatest number of people who can speak both languages, French and English. On an individual basis, everybody recognizes the importance of speaking both French and English. I will add that, in Europe, it is not two languages that most people speak, but three, four and even more, and sometimes very complicated languages, much more complicated than French and English.

Having said that, and with all due respect for our colleagues opposite, that does not solve in any way the political situation in Canada. That does not solve the political and constitutional problem that that federalists have been struggling with for many decades, and trying to solve in all kinds of ways. It is important to point this out because, every time government members stand up in this House, they tell us that it is the separatists who are preventing constitutional changes. At the present time, that is the only argument that they are using to say that, unfortunately, they cannot change the Constitution. The Prime Minister, almost with tears in his eyes, as well as the Deputy Prime Minister, with her crocodile tears, tell us: we cannot bring about constitutional changes. The Leader of the Opposition, who will become Quebec's Premier, said right away that he did not want any changes.

That is the whole debate in a nutshell. Even though I recognize the facts raised by the member for Bonaventure—Îles-de-la-Madeleine concerning the importance of the French aspect, I wish that he would speak a little more substantively about the bill itself.

Mr. Gagnon: Mr. Speaker, I want to thank the hon. member opposite for his openness and his generosity and I hope other members will follow suit.

There is no doubt that, in all this, Canada has been able to follow a peaceful approach where other countries have resorted to violence. What I find extraordinary in our country is the fact that it is because we have a flexible system that we are always in the middle of some negotiations.

Unfortunately, things are different in France and even in the United States. When it is time to make changes, to move on as a society, these countries are unfortunately stuck with constitutions which often are inflexible and very difficult to change, especially if the changes are to reflect the reality we face at the turn of the century.

The previous speaker just said again what all Quebecers know already, which is that the Leader of the Opposition, once he becomes Premier of Quebec, will reject every constitutional agreement with Canada. One thing is clear: his only objective is the separation of Quebec, the end of Canada.

One of the highlights of the last century has been, of course, a true political and economic feat, which will endure only if we can rely on the support of the opposition and the Leader of the Opposition and next Premier of Quebec, in order to recognize Quebec as a distinct society and to recognize its veto within the Canadian federation.

[*English*]

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, it is a pleasure to rise in the House today to speak on a subject that is near and dear to my heart. However, I would like to take it in a slightly different direction and speak of my own riding.

My riding is at the head of Lake Ontario, near Hamilton. It is probably as anglophone a part of the country as we could possibly hope to get. Yet the first European who set foot in my riding was René Robert Cavelier de La Salle. He came there in 1682. He came by canoe through Hamilton harbour, climbed the escarpment by a stream and visited an Indian village near the present town of Waterdown.

• (1325)

Around my riding there are signs everywhere, vestiges of French explorers. Just two miles from my village there is a creek called Fairchild Creek. This is a reflection of the coureurs de bois who explored the Grand River and its tributaries in the 17th century.

La Salle was exceptional. I do not wonder that my Bloc colleagues are very proud of their heritage when we think of this man who in 1682 came to the Hamilton area and then for the next 10 years explored everywhere around southern Ontario. He was searching for the Ohio River, which he believed would lead to the orient. In doing so, he was the first man to build a ship for the fur trade on Lake Erie at Niagara Falls. He also became a great entrepreneur in the fur trade at Kingston, which at that time was Fort Frontenac.

I say this to point out that the early people of New France represented the most fantastic spirit of adventure we could wish to find anywhere in the world.

What of myself as an anglophone? I can parallel that. On my mother's side of the family there were United Empire Loyalists. They settled in the United States in the 17th century and after the American revolution came to my area, the same area La Salle explored, to settle when they fled the Americans. Here we have a situation of my ancestors, like the ancestors of my Bloc Quebecois colleagues and my Quebec colleagues, who have this wonderful spirit of adventure.

I could look at my own father. My father came over to the country in 1924, leaving England at the age of 17. Again we have this sense that we share. Whether we are French or English speaking, we share this very Canadian sense of adventure, the sense of reaching out and trying brave new things to do.

When I was a young man I tried to cross the Sahara Desert to visit Timbuktu. As I crossed the Mediterranean I met another young man. We recognized one another because of our passports. He was another young Canadian from Quebec who was on the same type of adventure I was. There we were, doing what I think is one of the things that unite us as a people, whether we speak English or French, a people who have a true spirit of adventure.

Mr. Speaker, if you travelled the world now you would find young Canadians, both French and English speaking, in every corner of the globe on similar missions of adventure.

I mention this because separatism, the movement we see today to withdraw Quebec from Confederation, is not in the best tradition of our ancestors. It is a defensive reaction. It is building walls. Separatism today is fear rather than bravery. That is a great shame. What has made this country the richest nation in the world and the greatest trading nation in the world, whether we speak English or French, is our spirit of adventure we have inherited from all our ancestors.

To return to my history lesson, La Salle did not find the Ohio River. A decade later, after running around in southern Ontario and making a killing on the fur trade, he crossed over to the Mississippi River and explored the entire length of the Mississippi. He arrived there in 1682 and claimed the entire territory for France. Thus, Louisiana was born.

Louisiana became a far richer colony of France than Quebec. It was on the edge of the Caribbean. In those days the resources were much richer in that region than they were in the frozen north. What happened to Louisiana? In 1803 Napoleon sold it to the Americans. The Americans did not move in and change Louisiana into an English speaking state. They were totally laissez–faire about the situation. Louisiana was left alone with its language and culture. However then, as today, there was an enormous economic boom in North America. The west was opening up, the Mississippi was opening up and there were entrepreneurs everywhere.

• (1330)

The net effect of the freedom that Louisiana had as a state of the United States, rather than the protection it had when it was a French colony, was that within a century it lost most of its French culture. The French language was replaced by English. Now this former French colony, which was bigger than Quebec, is merely a shadow of its French self.

That is the kind of danger that is presented by the prospect of Quebec's separation today. The reason Quebec still exists, perhaps some of my Bloc colleagues will not agree with this vision of history, is that there were accommodations reached between Britain and Quebec right at the beginning, right after the conquest. This spirit of accommodation has been a characteristic of Canadian society ever since.

The other thing that makes all of us Canadian is that for centuries we have had to accommodate our differences. Our most fundamental difference was language, and not just in Quebec, but in northern Ontario and Acadia. Nevertheless, that is what has sustained Quebec all those years.

We now come to Bill C–110 and the distinct society resolution. I feel these two things are very important moves. There is the spirit for separation in Quebec which has always been with us and will always be with us. There is nothing wrong with that but right now there has been a resurgence. There are more people in Quebec now than ever before who are afraid of losing their language and culture. We in the rest of Canada cannot afford to see that happen because so long as Quebec retains its language, its culture and its traditions, then the rest of Canada has to accommodate and make room for something that is an essential difference.

It makes us a society that is truly tolerant and truly generous. That is why the rest of the world sees us as the best country in the world in which to live. It is not because we speak English, not because we speak French, but because we tolerate one another and we have a spirit of generosity that goes back through the centuries.

I hope the people in Quebec are listening to this and understand that the movement toward separation is a movement that will hurt us all. It will hurt those who speak English as well as those who speak French.

Debate is good. It is always good for us to come to Parliament or anywhere in the country, examine our differences and come to understand one another once again. However, separation is not the answer. The movement with respect to Bill C–110 and the distinct society resolution are a form of reassurance from all the people of Canada that we need to stay together and respect one another.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I listened very carefully to the speech made by my colleague opposite.

First, I would like to tell him that for us, Quebecers, sovereignty does not mean establishing borders or putting up walls between us and the rest of the world. Quite the contrary. I think Quebec sovereignists have shown, through the kind of partnership they have proposed to the rest of Canada, that they are open, that they want to sit down and talk, that they want a change at this point in their history.

• (1335)

So I hope the member has understood that also. In his speech, he talked about other places in the world where there are francophones. Louisiana in one of them. We know that Napoleon sold Louisiana to the Americans and that the small community living there at that time decided to let itself be assimilated.

Today, the French culture in Louisiana is nothing but folklore. There are still some people who speak French, but they are very few. It must be understood that these people were assimilated because they were in the United States of America, where English is the only official language. We do not want this to happen to Quebecers.

What we want is to control the economic and political instruments that will allow Quebec to grow and to secure its future. We will have to start all over again, to explain, as the member said, that sovereignty is something that will not die. But I want to tell the member that the sovereignty of Quebecers and of Quebec is something positive, something dynamic.

It is a movement that is leading us into the third millennium in a positive way. A people who decides to take control of its own destiny, that is just fantastic. I remember the night of the referendum when Claude Ryan, former leader of the Quebec Liberal Party, said: "The rest of Canada will have to recognize Quebec as a distinct people in the Canadian Constitution". Today, what we are being offered is a motion of the House that is valid only if it is supported by the majority. So I think what we are discussing today is entirely different from the offer Quebec would like to see.

We are not afraid of losing our language and our culture, and sovereignty which, as I said earlier, is a positive thing, is the reason why we are not afraid. However, we must go about this intelligently. We must have the means to ensure our survival, and we will have them in a sovereign Quebec. As I said yesterday here in the House, when the Canadian Confederation was established, an understanding was reached. Today, more than 125 years later, it is time the rest of Canada realized that we are talking about the future and the very survival of this Canadian territory.

So I would like the hon. member to comment and try to understand the position of Quebecers, which is very positive.

[*English*]

Mr. Bryden: Mr. Speaker, I thank my colleague. Sovereignty, as he describes it, and separatism look inward. He has to admit the separatist movement is building walls around Quebec.

Mr. Leroux (Shefford): You see the walls. We do not see them.

Mr. Bryden: There are walls and the rest of the world sees them as walls. I tell the hon. member that those walls will be broken down without the protection of Canada.

That is what happened in Louisiana. Economic forces, business forces and global forces destroyed the French culture in Louisiana. The same will happen to Quebec unless Quebec has the rest of Canada and the faith of anglophones like me who believe we share a tradition. We are generous with one another.

If Quebec rejects the rest of Canada, including other people in Canada who speak French—

Mr. Leroux (Shefford): That is not true.

Mr. Bryden: Oh yes, it will be the end.

Mr. Leroux (Shefford): C'est complètement faux ce qu'il dit là.

Mr. Bryden: The lesson my hon. colleague should appreciate is the lesson of Louisiana.

Mr. Leroux (Shefford): Ça, c'est au siècle passé.

Mr. Bryden: It happened in Louisiana in about 60 years and Louisiana had state rights. It was a loose federation, far looser in the United States at that time than Canada today. Louisiana's

culture disappeared under the pressure of economic and business forces within about 60 years.

• (1340)

Were Quebec to separate and not have the genuine partnership that exists in the Canadian Confederation today, especially with the Americans just south of the border, there would not be anyone speaking French anywhere in the business community of Quebec. That would be a shame because it would be the end of a culture.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I am pleased to enter this debate, since I feel it is important to establish the government's intentions in tabling Bill C–110. It is not my intention in the next few minutes to react to the interpretation of history given by the Liberal member who just spoke. I would simply advise him to do some sorting out of his historical reference books. Drawing a comparison between Louisiana and Quebec is not only nonsensical but an insult to the reality of Quebec.

What I would like to do instead is talk about Bill C–110 and the veto.

To begin with, as the Leader of the Opposition pointed out this morning, when reference is made to the right of veto, this generally means a procedure or rule that is a key element in a constitution. With such a rule, changes of a constitutional nature cannot be made without the agreement of one part. In the case of concern to us here, the case of Canada, what is involved is a part of Canada without the agreement of a certain number of provinces plus the federal government.

This is, therefore, an important measure. So important that, over the past 20 or 25 years, the federalists have discussed among themselves on a number of occasions the necessity of arriving at a formula for amending the Constitution, which would include this famous right of veto. Naturally, there was the Victoria charter, which referred to a regional veto, a bit like Bill C–110. The Pepin–Roberts Commission referred to a regional veto as well, but one supported by a Canada–wide referendum in which a majority would be required in each of the four or five regions of Canada.

The 1982 Constitutional Act, the one that governs us at present, assigns to each Canadian province the right of veto in several areas for amending the Constitution and the institutions, among other things. The Meech Lake accord also contains the same right of veto. The Beaudoin–Edwards committee spoke of a regional veto. So did the Charlottetown accord.

What I would like to point out with this reminder is that the right of veto has always figured prominently in Canadian political discussion, in the political speeches of federalists, sincere ones, who wanted to improve Canada and Quebec's situation. Never, however, have we been able to reach an agreement that would respect the rights of both Quebecers and Canadians. Never.

That is why the Trudeau government accorded the right of veto to all provinces in 1982, in desperation, and this is how the situation stands now.

• (1345)

So, if we want this right of veto to mean anything, there must be constitutional changes. Because he could not do so—and not because the Leader of the Opposition may eventually go to Quebec City, but because he could not convince the anglophone provinces to agree—the Prime Minister, reacting to the results of the referendum on October 30, decided to table a bill in the House, which has no constitutional significance, a bill which will force the present government to take certain criteria into account before it proposes constitutional change, if it really wants to, because it can amend its bill at any time.

However, as the Prime Minister has already said he does not intend to make any proposals so long as the nasty separatists are in power in Quebec, the bill will never be implemented in any case.

This is where I want to point out the intention of the government and, particularly, of the Prime Minister. This bill is nothing more than a hoax. I would even describe it as skulduggery, because it is misleading Quebecers by implying that the right of veto is a guarantee of Quebec's future constitutional rights.

This is wrong, absolutely wrong, because, in the same breath, most of the speakers on the government side have made a point of saying in their speeches—the Prime Minister first and then the Minister of Justice this morning in tabling his bill—that the bill changes nothing in the existing formula, in other words, it is the constitutional status quo.

Quebecers must understand that the government and the Prime Minister are simply trying to waste time in this House with this hasty bill, which has no effect.

Some will say I am being hard on the Prime Minister. With your permission, I would like to turn to what the Prime Minister has said in the past.

Let us look first at his speech in 1990 as he was preparing to enter the Liberal Party leadership race. The current Prime Minister, who was then a leadership candidate, said, right here in Ottawa, to University of Ottawa students, that, as a candidate to the Liberal Party leadership and future head of the Canadian government, he was opposed to any form of veto, for any province. He basically said that a province wishing to oppose constitutional changes could do it if it had a veto. He did not specifically mentioned Quebec, but he was certainly thinking about that province, since Quebec has always been the one asking for such changes.

In addition to a veto power, the concept of distinct society is supposedly recognized in the motion tabled in this House.

• (1350)

Again, this is a big joke. The Prime Minister is trying to make Quebecers, but particularly Canadians, believe that he recognizes the principle of distinct society. Yet, during the referendum campaign, he ridiculed that principle by making an analogy to his own linguistic skills. He said: "There is no need to put the distinct society principle in the Constitution. Everyone knows that I am distinct. Just listen to me speak English".

At the time, the leader of the Action démocratique condemned the Prime Minister's comments, saying that it was contemptuous of Quebecers to make such an analogy between the notion of distinct society and the impossibility or difficulty of speaking English. As the Prime Minister himself demonstrated.

This is what the Prime Minister thinks of the distinct society and the right of veto. Today, because it tabled a bill and a motion on the concept of distinct society, the government would like Quebec members to applaud and say: "Mr. Speaker, the issue is finally settled. Quebec is now recognized as a distinct society and it has a veto power. Let us move on to other matters".

No. Quebecers are not fooled by all this. They are fully aware of the federal government's deceit in tabling this bill and this motion, and they will react strongly. In that sense, the Leader of the Opposition who, in a few months, will lead the Quebec government, was right, is right and will be right to say no to such trickery and deceit.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, the hon. member opposite is at it again with his emotional blackmail.

A debate at least two–months long has already been held on the referendum. At times, it was quite intense, very emotional. We heard from both sides, supporters of the yes camp and supporters of the no camp, those who were for Canada and those who were against Canada, those who wanted to give Canada a chance and those who did not.

Those who wanted to give Canada a chance won. The democratic result of the referendum was a yes to giving Canada a chance. On the evening when the results were announced, I was out of the country, unfortunately, but I saw the Leader of the Opposition on television. It was a very emotional moment. I stayed up all night and watched the Leader of the Opposition on CNN International as he said: "The democratic result of the referendum must be respected".

I found it very interesting, contrary to what Mr. Parizeau said, that he chose not to respect the results. At the time, the Leader of the Opposition and leader of the yes camp in Quebec said that the referendum results were to be respected. But what is happening today? Just the opposite. No respect for the Quebec referendum results; total disregard for the basic principle of democracy in Quebec, in Canada and in every international standard.

• (1355)

Nowhere else in the world do you have a group like the one we have here in our federal Parliament, a Parliament representing the people of Canada, Canadians from coast to coast.

In no other country in the world do you see people like the members across the way, rise on their feet and announce with great pride their plans to tear apart the best country in the world. They want to tear apart and break up a great country, a fantastic country.

The Prime Minister said, and my colleagues on this side also said so time and time again: this is not going to happen, because the best country in the world just cannot be broken up. What the government decided to do and managed to do is to present concrete proposals, and we expect opposition members to act with common sense, to respond with common sense, to respect the democratic result of the referendum, to sit down at the table and to negotiate honestly, without any hypocrisy, and to stop using the words "sovereignism" and "independance". They should talk in a positive way, saying that Quebecers voted to give Canada a chance.

Then we would have a real debate. Then we would really be able to talk face to face. So, I ask my colleague if it would not be better for him and for his colleagues of the Bloc to sit down with the federal government and to tell us what they really want. They are not satisfied with that, but what do they want exactly? They want to put that in the Constitution, but they do not say so. They do not dare say what makes sense.

What I have heard today is nothing but blackmail, a history lesson, another explanation of what happened 20 years ago. Several members of that party voted against the Meech Lake accord and the Charlottetown accord. I want to ask the member—

The Speaker: I think the question has been put. The hon. member has one minute to respond. We will give him the chance.

Mr. Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, I would ask my colleague from Ottawa–Centre to sit down and go back to sleep, like he did the night of the referendum, since he obviously did not listen until the end to what the Leader of the Opposition said. Not only did the Leader of the Opposition, who will become Quebec's Premier, say that he would respect the results of the October 30 referendum by making sure to deal with the problems facing Quebec, that is, public finance, he also said that the federal government was expected to act and to propose real changes.

So, what do we have here? I said it earlier: trickery and deceit. The next time we will talk about the Constitution in Quebec, it will be about Quebec's Constitution in an impending referendum.

STATEMENTS BY MEMBERS

[*English*]

UNEMPLOYMENT INSURANCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, in the 1994 budget the government announced cuts to UI, which hit Atlantic Canada the hardest. Of the $2.4 billion that was cut, $634 million came from Atlantic Canada. Our region, with 8 per cent of Canada's population, suffered 27 per cent of the UI cuts. Now we hear it is going to happen to us again.

A large portion of the Atlantic Canadian economy has a seasonal nature. I agree that we have to implement measures that allow the region's economy to grow and evolve, but what the government is proposing will not do that. Even the Liberal premier of New Brunswick has called the proposed UI plan devastating for our region. He has also said that he believes it will merely push people from UI to welfare.

I support thoughtful measures to get our deficit under control. We need to help people to help themselves. I fear this is what the government's UI plan will not do. I urge it to reconsider. In fact, this plan is one I would expect from the Reform Party.

The Speaker: The hon. member for Davenport.

* * *

• (1400)

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, Environment Canada recently charged the Noranda forests mill in Thorold, Ontario, with 150 apparent violations of the Fisheries Act and pulp and paper effluent regulations.

If we are to have sustainable development we need regulations and their enforcement to protect water, fisheries and health from damaging activities. This example shows the importance of Environment Canada in maintaining properly monitored and enforced federal environmental regulations.

* * *

SAME SEX COUPLES

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the Liberal cabinet is giving rights to same sex couples that members of the House have not approved and the public do not support.

I rise today to condemn a Liberal Treasury Board directive leaked last week which extends a number of spousal benefits to homosexual and lesbian partners who are not formally recognized as being legally married.

During the debate and a free vote on Motion No. 264 in the House last September members refused to grant legal recognition of same sex couples, defeating the motion decisively. Treasury Board officials have defied the will of members of the House by giving homosexual and lesbian couples the same rights as legally married men and women.

On behalf of the majority of my constituents, the majority of Canadians and the majority of MPs in the House I demand the Liberal government bring any extension of government benefits to same sex couple relationships to the House for a free vote.

* * *

RIPPLES INTERNMENT CAMP

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, last week I attended a ceremony marking the site of the Ripples Internment Camp near Fredericton. This camp was originally constructed to accommodate Jewish refugees during the second world war and was later used as an internment camp. The organizing committee hopes eventually to rebuild the camp along with a museum to keep the camp's memory alive.

Canada has a long history of accommodating refugees, a history of which it can be proud. However history tells us that mistakes have been made. We must learn from them, grow and make sure we recognize our international obligations to those oppressed around the world.

It is important to remember what happened during the second world war because history must live. I commend Ed Caissie and the rest of the committee for reminding all of us of the horror of the Holocaust.

* * *

SEVEC

Mr. Ivan Grose (Oshawa, Lib.): Mr. Speaker, I wish today to recognize the achievement of one of my constituents, Miss Amy Kaufman. Tomorrow Miss Kaufman and five others from across Canada will present themselves at Government House to receive the 60th Anniversary Award of the Society for Educational Visits and Exchanges in Canada.

SEVEC is a not for profit association run by teachers that organizes educational visits and exchanges. Its aim is to create and promote enriching educational opportunities within Canada for the development of mutual respect and understanding.

Miss Kaufman spent two weeks in Quebec last year as a participant in a SEVEC program. She was struck by both the similarities and the differences between our two peoples. She

was especially impressed by the depth of friendship and understanding that can be achieved in so short a time, an interesting observation.

I ask all members to join me in recognizing Miss Kaufman, a proud Canadian.

* * *

[*Translation*]

FTQ CONVENTION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, on Monday the Leader of the Opposition and I attended the opening of the 24th convention of the FTQ, Quebec's largest labour federation.

I think it is significant that there were 1,500 delegates at this historic convention, which was focussed on employment. For the first time, the presidents of the CSN and the CEQ were invited to attend. In an extremely courageous speech, FTQ president Clément Godbout spoke of the major challenges to the trade union movement now and in the years to come. The labour federation wants to fight against the emergence of an increasingly powerful right and in support of labour legislation reform, union–employer partnerships, and increased power over the way work is organized.

It is therefore important to congratulate those behind such an initiative aimed at enabling Quebec decision makers to undertake an in depth examination of tomorrow's Quebec.

I would also like to wish FTQ past president Fernand Daoust a prompt recovery; he was injured in an automobile accident the day before yesterday.

* * *

[*English*]

THE ENVIRONMENT

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the environment minister's decision to sign an interim order banning the export of PCBs to the U.S. defies logic, especially since the EPA in the U.S. has recently reversed its decision to allow PCB imports for destruction.

This reversal enables Canadian companies to safely dispose of their stockpiled PCB contaminated waste at the lowest possible price and in the safest possible manner. The minister ought to be elated. Unfortunately she has decided to ban PCB exports to the U.S. despite the fact that Canada exports over 100,000 tonnes of waste to the U.S. each year.

• (1405)

The distance now that the PCBs have to travel are much greater when shipped across Canada than when shipped to the United States. Canadian companies are also paying an extra $150 million to do this.

Considering the overwhelming information in support of allowing PCB exports to the U.S., I urge the minister to reconsider her government's position, do the right thing, and stop pandering to the protectionist stance that does little to help the overriding goal of PCB removal.

* * *

GLOBAL VISION

Mr. Bob Wood (Nipissing, Lib.): Mr. Speaker, I rise today to inform the House of the completion of the global vision program for 1995 and the release of the annual report.

As parliamentary chair I am pleased to announce that this non–profit organization was able to conduct cross Canada regional seminars involving over 800 students. These young people met with industry and government experts to discuss issues involving science, trade and technology, and to acquire the skills needed to compete in the new global economy.

In addition, the junior trade corps program allowed 18 participants to visit Taiwan in the Republic of China in August. I thank the many sponsors of the global vision program. These include Canadians Airlines, the Canadian Imperial Bank of Commerce, Canadian Heritage, the Atlantic Canada Opportunities Agency, FEDNOR and Western Star Trucking.

I personally thank Mr. Jason Yuan and his staff at the Taipei economic and cultural office. Without his assistance and the co–operation of the Republic of China's foreign affairs department and the China Youth Corps, our trade mission to Taiwan would not have been possible.

* * *

[*Translation*]

INTERNATIONAL HIV–AIDS DAY

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, tomorrow, December 1, is International HIV–AIDS Day. On the same day last year our Prime Minister was one of the cosignatories of the Paris declaration.

I would like to draw the attention of the House to the fact that Canada followed up on this summit by creating a task force on Canada's international response on HIV–AIDS.

On this day, the theme of which is "Share rights, Share responsibilities", I would like to acknowledge the important role played by nongovernmental organizations such as the International AIDS and Development Coalition, the International Council of ONGs against AIDS, the Canadian AIDS Society, the Canadian Public Health Association, the Global Network of People Living with HIV/AIDS, the réseau international francophone d'intervention SIDA and the International Community of Women Living with HIV/AIDS.

SOVEREIGNIST ARTISTS

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, the Liberal and Reform members of the Standing Committee on Canadian Heritage have openly declared a witch hunt. The representatives of Canadian unity are against sovereignist artists, like Marie Laberge, getting federal funding.

Obviously, ridicule has never killed anyone. Quebec sovereignists still continue to send their tax money to Ottawa. Each year, the federal government collects $30 billion from Quebecers. Do the members of the committee seriously think that the federal government could deny access to its programs to 50 per cent of Quebec's population? As Franco Nuovo put it so well in the *Journal de Montréal*, Canada Council grants are not given out to "serve the allegiance and political stripe of artists, but to recognize and support talent and excellence in the arts world in Canada".

* * *

[*English*]

HUMAN RIGHTS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, Canadians are astounded to learn that our human rights commissioner feels it is inappropriate to comment on human rights abuses in China. His tolerance of forced abortions and his inability to pass judgment on the execution of political dissidents show shameful disdain for women's rights, equal rights and human rights.

We must tell China that this policy is wrong. As Canadian Human Rights Commissioner it is his responsibility to lead, not to follow. He has a moral obligation to help bring about change in areas where the humane treatment of people is rejected. He must do this by showcasing Canada as a model of democratic tolerance, a champion of human rights and a defender of the exploited.

We cannot sit idly by, as women, children and others suffer abuse at the hands of inhumane governments. Instead of resigning himself to indifference, Max Yalden should resign, himself. If he refuses, the government must remove him from office as he clearly lacks the courage to promote and represent Canadian values internationally.

* * *

• (1410)

[*Translation*]

CSN PRESIDENT

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the sovereignist's sovereignist Gérald Larose, president of the CSN, delivered a hefty blow to the Quebec Premier's economic strategy, labelling it devastating. He went on to say, and I quote: "We have the vague impression that, having failed to control all our levers during the referendum, the Government of Quebec wants to take the shortest route and throw itself wildly on spending to avoid sinking like the Titanic".

The union leader's barrage against the PQ government has failed, however, to wound the claimant to the throne, whom nobody wants to upset. The union leader's whole strategy reeks of opportunism and should be condemned, given the benefits his organization has always enjoyed from its affiliation with the PQ.

* * *

[*English*]

DIABETES AWARENESS MONTH

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I take this opportunity to remind members of the House that November has been proclaimed Diabetes Awareness Month by the Canadian Diabetes Association.

Over one million Canadians including many members of my own family have diabetes, a major cause of premature death, blindness, kidney disease, heart disease, stroke, limb amputation and other significant health problems. The chances of having diabetes increase with age. It affects more than 13 per cent of Canadians between the ages of 65 and 74.

The Canadian Diabetes Association supports diabetes research and provides a wide range of services for and on behalf of persons with diabetes and their families. I am proud to say the federal government also plays an important role by supporting diabetes research, with the Medical Research Council of Canada being the country's largest contributor to diabetes research.

I ask the House to join with me in wishing the Canadian Diabetes Association and its many volunteers a very successful Diabetes Awareness Month.

* * *

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, this is the dawning of a new age. During the referendum campaign, the government promised change. Now, change is under way. First, the members of this House are to vote on recognizing Quebec as a distinct society with its own language, culture and legal tradition.

Also, we have before us today a bill granting a veto to Quebec, to the people of Quebec, and to the other regions of Canada. This makes for a great start. That is what I call delivering the goods. And we must continue to ensure that the changes contemplated also apply to our way of doing things. In the context of these changes, I urge all hon. members of this House, regardless of

their political affiliation, to work at making this country of ours, Canada, the country of all Quebecers and all Canadians.

* * *

PETER JACOBS

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, Peter Jacobs has lived almost all his life in Kahnawake. He was adopted at the age of three weeks and has contributed to this Mohawk community for 40 years. Even though he is a status Indian under the Indian Act, Mr. Jacobs has now been excluded from the register by a Kahnawake band council resolution which in effect has stripped him of his status as a member of this band and of entitlement to all related rights.

Without prejudging a highly technical issue currently before the Canadian Human Rights Commission, the members of the Bloc Quebecois would like to express their strong disagreement with this act of discrimination and exclusion, which would appear to be based on race and ethnic origin.

* * *

LEADER OF THE OPPOSITION

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, it seems that Quebecers will once again have to pay for the lack of courage and conviction of the person who let them down almost one month before the failure of Meech. In a speech befitting a never ending soap opera, the leader of the opposition said once again yesterday that he will not support the recognition of Quebec as a distinct society.

The Bloc Quebecois leader refuses to accept Canada's offer to co-operate, preferring to concentrate on his emotional speeches, in which he keeps crying over old stories of humiliation and rejection. Quebecers are discovering, regretfully and somewhat late, that the person who is asking them to put their confidence in him is only interested in his career and imminent crowning as Quebec's Premier. Unfortunately, he refuses to acknowledge the consensus among Quebecers to be recognized as a distinct society and to have a veto power within the Canadian federation.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in an all out attack against the federal government, Premier McKenna of New Brunswick, a faithful ally of the Canadian Prime Minister, strongly condemned the UI reform proposals.

Mr. McKenna warned that, by directly targeting workers in Eastern Quebec and the Atlantic provinces, these reforms will create what he referred to as "an unprecedented political backlash". Mr. McKenna's scathing attack is similar to the stand of the official opposition on the new cuts in unemployment insurance Ottawa is about to make.

Does the Minister of Human Resources Development agree that, as stated by the Premier of New Brunswick, these new cuts will come down hard on seasonal workers in Eastern Quebec and the Atlantic provinces?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once again the Leader of the Opposition, as he has done so many times in the past, is exaggerating the comments.

We had a very useful meeting with the Atlantic premiers. We were able to deal with many of the concerns they raised. If the hon. leader of the opposition were more careful in his research and analysis he would know that when they came out of the meeting they actually said they found the approach we are taking to be quite praiseworthy and one they wanted to support.

I quote Premier McKenna directly: "Several features of the reform will be very positive in terms of making it worth while to work and there are a number of elements of the reform that we find praiseworthy". Mr. McKenna, after having had the opportunity to find out the real direction and approach we want to take, as opposed to all the suppositions, allegations and paranoia the Leader of the Opposition puts forward, actually finds this praiseworthy.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I have not met Mr. McKenna recently, but I saw reports in the newspapers this morning that he condemned the minister's reforms and warned they would create an unprecedented political backlash. And I am fully aware of the fact that Mr. McKenna is a Liberal like the minister himself, so he cannot be accused of being soft on policy.

I want to ask the minister whether he realizes that young people and women will be the main victims of his reforms, since these will tighten UI criteria by substantially increasing the number of hours and weeks worked.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. Leader of the Opposition once again totally contradicts himself.

When he made his announcement that he would become leader of the Parti Quebecois and the future premier of Quebec, he said he had one major ambition, jobs, and he wants to work with people to do this. That is our ambition as well, to transform a system that has been around for 50 years and over the years has developed a number of problems in terms of giving people the tools and the opportunities and the encouragement to go to work. That is why we are changing the system, so we can help people go to work.

I say to the hon. Leader of the Opposition if he believes, as he said he did during the referendum campaign, in partnership, I am prepared to be a partner with the hon. Leader of the Opposition when he becomes premier. I would like to work with him to create jobs for Quebecers. Is he prepared to be a partner with us in creating good, serious jobs for Quebecers once he becomes the premier of Quebec?

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister tells us his reforms are intended to create jobs. Would he agree that, in fact, his reforms are intended to get people off unemployment insurance so they will have to go on welfare, all of which will add to the bill the provinces will have to pay?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, they will not. There will be a number of initiatives that will help people who now find themselves without the tools or resources to get back into the workforce. They will be given that opportunity.

• (1420)

Unlike the minister of social security in the Government of Quebec, who cut back welfare payments and took away the very incentive, the very resources, the very income being used to help people on social assistance to go back to work, we are attempting through the reform and modernization of the employment insurance system to give those tools back to people so they can go back to work.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The *Globe and Mail* reported this morning, in even greater detail, how much the second so–called UI reform package is out of touch with the labour market, where precarious jobs are no longer the exception but rather the rule.

In fact, the UI reform will discourage young people by making it harder to qualify for benefits, with work requirements going from 12 fifteen hour weeks to 14 thirty–five hour weeks, even in the regions hardest hit by unemployment.

Does the Minister of Human Resources Development confirm that one of the first and most painful effects of his reform will be to ensure to an even greater degree that thousands of young people, who often can find only precarious jobs, are excluded?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will be tabling in the House of Commons tomorrow the full details of the new employment insurance package.

We will be, as part of our courtesy, giving a full briefing to the hon. member and other members of the opposition. We intend to extend coverage for unemployment insurance, to take into consideration the new workplace, where there is a lot more part time work, a lot more multiple jobs, a lot more people dealing in a workplace that has a lot more flexibility to it.

That is part of the problem with the existing system. It was designed 50 years ago. It does not accommodate the new world of work we are into. That was one of the key recommendations of the committee that studied it, of which the member was a part. The committee recommended that we find a system that more accurately fits the reality of the new world of work. That is what we have done.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, if the minister had briefed the official opposition and the third party first, before briefing every member of the media in town, we would not have to rely on what journalists say. At least, journalists are doing a good job. And I doubt there would be any evidence to the contrary.

Here is my question: Does the minister not realize that by making it even more difficult to have access to UI, a fact confirmed by every information leak, he will force onto welfare a good many women who are desperately trying to find a way out of poverty?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, please excuse me if I allow myself to smile. The hon. member is complaining about the fact that we were briefing journalists.

It was the hon. member who week after week was waving papers, studies, and leaked reports from her friends in the CSN who purported to know what was in the report. If anybody is responsible for the misinformation about the new program, it is the hon. member for Mercier. She is the one who has been responsible.

Fortunately tomorrow the hon. member will have an opportunity to see what the program is really all about.

* * *

NATIONAL UNITY

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the government has tabled its package of proposals for Quebec, which lo and behold have been rejected by the PQ Government of Quebec and by the future premier of Quebec.

In advance of the next referendum, will the government also be taking other steps? Will it table not only the proposals it has tabled for positive change, but will it also make clear to Quebec in published documents the likely terms and conditions of separation and the real costs of separation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, unlike the Reform Party, we are not salivating at the prospect of a referendum.

The majority of Canadians and the majority of Quebecers do not want a referendum. What they want is for the Government of Canada to work in a constructive way with provincial partners across the country and with workers to get Canadians back to work. That is exactly the agenda we intend to pursue.

• (1425)

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I hate to inform the Deputy Prime Minister that bad things can happen even if you wish they will not. It is a rule of life.

Regardless of what the Canadian people or even the Quebec people think, it is clear what the plans of the Quebec government are. I ask the Minister of Intergovernmental Affairs once again, is the government consulting anyone—Canadians, think tanks, the C.D. Howe Institute, the Canada West Foundation, the business community? Is the government consulting anyone on the terms and conditions of separation and the contingencies to plan for in the event the Government of Quebec goes down this path?

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 know that Canada will not go down this path because we are taking the necessary steps and we will continue to take them so that Canada remains a united country.

The group on unity, as I have mentioned, is looking at present at all kinds of constructive ways in which we can deal with the differences that exist among the various parts of the country. We do not want to underline these differences. We prefer to underline the points that are common all across Canada, among all Canadians. The solutions we will bring are solutions that will help us to remain together.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, this minister assured the House that the PQ would lose the provincial election. He assured the House that the government would win the referendum by a strong majority. None of the things this government has assured us have come to pass.

This time, if it will not at least prepare its own position on the eventuality of another referendum, will it at least insist through a formal request that the Government of Quebec table its proposal for separation, its so–called sovereignty partnership, so that before a referendum all Canadians, including Quebecers, can judge the credibility of these proposals?

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, when we indicated that we were going to look at the results of the referendum and deal with them, we also indicated that we were going to look at the real solutions to present day problems. The real solutions are not the splitting of Canada into various parts, even though the Reform Party sometimes gives me the feeling that this would be its preferred option.

The best way to prevent that from happening is clearly to give good government. We have won the referendum, not lost it. The best way is to deal with the problems that presently exist, not start planning for the worst.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Every scrap of information on the UI reform, whether leaked or not, points to the fact that women, young people and seasonal workers will be the main victims of the reform about to be introduced by the Minister of Human Resources Development.

Does the minister recognize that his reform will penalize women twice over, by limiting their entitlement to benefits because of the longer work period required, and by making this entitlement dependent not only on recipients' incomes but also on their spouses' incomes?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, just a few minutes ago the hon. member's colleague was complaining about the leaks and the fact that they did not get the proper information. Now the hon. member is

using other leaks or misinformation to make an allegation or charge about the impact of the study.

The reality is that tomorrow we will present a fully comprehensive indication. The hon. member will find that the purpose and the direction we have adopted is designed to give more support for women coming into the workforce, to provide extended coverage for those in part time work, to provide for a stronger element of resources for people to get employed.

It would seem to me that the sooner the Bloc Quebecois starts getting itself interested in the issue of defending and promoting jobs as opposed to defending unemployment, it might be an awful lot better off.

• (1430)

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, here is my supplementary question.

Does the minister realize that his reform will jeopardize 20 years of sustained efforts on the part of women to achieve greater financial independence?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, there is a very simple fact. Last year, because of the change in the emphasis of our employment programs, the number of women in Quebec who participated in our employment programs actually increased. Furthermore the new employment equity bill which we hope the Senate will return before Christmas will be providing further opportunities.

When the hon. member says we are ignoring the cause of women, frankly she does not know what she is talking about.

* * *

NATIONAL UNITY

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, yesterday the Prime Minister pleaded with Canadians to support his Quebec package of Mulroney leftovers: distinct society and constitutional veto. However the government does not have the courage to let those very same Canadians vote directly on the package. Instead of trusting Canadians, the Prime Minister has decided to ram the proposals through Parliament.

Because the government will not trust the Canadian people with the country's future, will it at the very least call off the Liberal whip and allow a free vote on the Prime Minister's Quebec package?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the fact is that the Canadian people are a lot bigger and a lot more generous than the Reform Party gives them credit for. The Canadian people support the initiative of the Prime Minister. Frankly, my phone has been ringing off the wall with people complaining about the disgraceful performance of the Reform Party in the debate about Canada.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, Canadians voted no on Charlottetown and I suspect if the government had the courage to ask them to vote again they would again vote no, loudly and clearly.

The government talks about equality but it learned absolutely nothing from Meech Lake and Charlottetown. If the national unity package is to have any hope of succeeding, it must win the support of Canadians. It has to be by Canadians. It needs to be for all of them and it must receive popular ratification.

Canadians are sick and tired of being used as the Liberal government's personal political pawns. They want the first say and they want the final say when it comes to these things. Will the government commit to holding a national binding referendum on any constitutional change so that the Canadian people, not provincial governments and federal politicians, have the final say as they were allowed to do with Charlottetown in 1992?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, before the hon. member makes claims about the positions of the government, she would be well advised to read what her own leader had to say on the issue of distinct society back in 1989. He said in an interview on the distinct society clause: "At a strategic level I think we could accept some kind of trade–off between Quebec and the resource producing regions". That is what Preston Manning had to say about distinct society then. Why is he saying something different now?

The Speaker: Colleagues, I remind you to please address each other by title rather than by name.

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[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In his full–scale attack against UI reform, the Premier of New Brunswick, a faithful constitutional ally of the Prime Minister, accused Ottawa of revamping the UI program on the backs of workers in eastern Quebec and the Atlantic provinces.

Does the minister endorse the New Brunswick Premier's statement that his reform is a deliberate attack against the Atlantic region and eastern Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will tell the House what words of the hon. premier of New Brunswick I do agree with. He said in today's Saint John *Telegraph Journal*: "Several of the features of the

reform will be very positive in terms of making it worthwhile to work and there are a number of elements of the reform that we find praiseworthy".

• (1435)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): I have a short question, Mr. Speaker. Does the minister share Premier McKenna's opinion that his UI reform will cause an "unprecedented political backlash" east of Ontario? That does not sound like someone who agrees with the minister.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once again I want to point out that the meeting last evening with the four Atlantic premiers was a very useful and helpful exchange. We were able to share concerns.

What is more, the four premiers of the Atlantic region, unlike the hon. member and his colleagues in the Bloc Quebecois, understand good information. They do not deliberately go out to create distortion. In fact, when they were given the opportunity to work with and understand the facts, they came out and said as Premier McKenna did that they found the reforms praiseworthy.

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INDIAN AFFAIRS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, a recent memo confirms Indian affairs is planning to throw money at resolving some outstanding issues it has been dragging its feet on. This is a payoff to silence Quebec's aboriginal people during the dream team's constitutional talks in Quebec.

While I can understand that Quebec natives want to see their issues resolved, blatantly bribing them to keep quiet during the Quebec round of talks is an insult to them and to all Canadians.

Will the minister of Indian affairs confirm whether one of his ADMs is responsible for this policy position, yes or no?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, if the member is referring to the article in the *Globe and Mail* and several others, I did not see that memo. I never asked for that memo and if I have to read it in the *Globe and Mail* I am not going to pay much attention to it.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I was not asking the minister whether he had seen it or heard of it. I was asking him whether his ADM is responsible for it. Does the buck stop with him and his department or not?

We believe in the equality of all Canadians but clearly this Liberal government does not. This week the Prime Minister is adding a new class of citizens by recognizing Quebec as special and giving Quebec distinct society status. Now we learn that the department of Indian affairs is considering granting premier status to Quebec native leaders.

Apparently the Liberals intend to grant distinct status to two groups so far: the Quebec separatist government and Quebec native leaders. How many more do the Liberals intend to recognize?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, a couple of weeks ago the Reform Party put out its policy on aboriginal people. We waited two years for what is now its interim policy. It was received as follows: Blaine Fable: "Earth calling Preston"; Blaine Fable: "Silly and bizarre"; Erasmus: "It's like reading something from the 1920s"; and John Edward: "This is pretty much a bunch of cheap shots from the Reform Party". These are aboriginal leaders.

The Reform Party knows nothing about equality. If it knew anything about equality, all 42 members who voted against the B.C. treaty process would have been in here voting for it.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is also for the Minister of Indian Affairs.

The document signed by Deputy Minister Jack Stagg, which all the media reported on this morning, recommends that the government pay money to the aboriginal communities in Quebec, in return for their support for the federalist side in the last referendum, and also, in the words of the deputy minister himself, to buy their silence while the federal government tables constitutional proposals to satisfy Quebec.

Since the media all reported on this document, I ask the minister if he bothered to summon this person, who is not just anybody, but the person responsible for his department's strategic directions and policies. Has he since summoned his deputy minister to find out if he did in fact write this memo?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as I indicated in my former answer, I did not ask for that document and I did not see that document. If it is accurate as far as the *Globe and Mail* then it is a pretty silly document.

If the hon. member wants to know what my deputy minister, my ADMs or my regional directors general have to do, there is an even more significant document which is accurate and free. It is called our red book and we follow it.

• (1440)

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I think the minister is trying to dodge the issue. His deputy minister, who is very well known, who is responsible for the department's strategic directions and policies, did in fact write a memo. I want the minister to tell me if he did summon his deputy minister and ask him for his version of events.

I am not interested in the red book. I am quite familiar with it, I studied it, and there is room for improvement on aboriginal issues. What I want to know is this: Did the minister summon his deputy minister and can he admit that he promised the aboriginal communities in Quebec that he would compensate them for their support for the federalist cause in the last referendum?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, our policy in Quebec is clear and apparent and I think my friend does support it.

We are working with the James Bay Cree on their issues. We are working with the province of Quebec and with the Huron which has signed a treaty with the province of Quebec. We have made offers to the Attikamek–Montagnais in the north of Saint–Laurent of $400 million with the Quebec government. He says to work with the Quebec government. We are working with the Attikamek–Montagnais, the Innu. We are working with all of them.

Our policy is our red book. Everybody who works for our department is supposed to follow that red book.

* * *

SRI LANKA

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, the continuing conflict in Sri Lanka is a matter of great concern to many Canadians, including many in my riding of Rosedale who have come here from Sri Lanka.

Would the Secretary of State for Asia–Pacific inform the House of Canada's position on the Government of Sri Lanka's military operations in the north which have displaced so many innocent civilians?

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, we are all very concerned about the continued conflict in Sri Lanka. Recently when I accompanied the Prime Minister and my colleague, the Secretary of State for Latin America, with the heads of the Commonwealth meetings in New Zealand, I sought out the Sri Lankan foreign affairs minister to express our concern to him.

Canada does not believe there can be a military solution to the conflict. We urge all parties, including the Liberation Tigers of Tamil Eelam, to negotiate a lasting political settlement. The LTTE must accept that there is nothing to be gained by continued guerrilla warfare and acts of sabotage. Also, the Sri Lankan government should recognize that only a negotiated political settlement will bring peace to Sri Lanka.

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THE DEFICIT

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the provinces are leading the federal government again. Yesterday Ontario announced a balanced budget plan. Nine out of 10 provinces have a balanced budget plan in place.

My question is for the Minister of Finance. When will the government announce to Canadians a balanced budget plan?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is not enough to simply have a balanced budget plan which stretches years out. What is important is to have in place a process that will enable the government and any government to consistently hit its targets, to maintain a steady downward tract both in the deficit and the GDP ratio and that is what we have done.

That is why for the first time in over a decade a Canadian government was able to stand up and say that it had beat its deficit targets.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, if the targets are easy to reach, anybody can do it. The real litmus test of financial or fiscal responsibility is a balanced budget plan and a budget plan that can be reached. In Canada there are only two governments that do not have a plan: the separatists in Quebec and the Liberal government here in Ottawa.

Is the finance minister, according to the answer that was just given, telling Canadians that when he tables his budget in the spring there still will not be a balanced budget plan?

• (1445)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we have been very consistent. We have said that we are going to operate on the basis of rolling two–year targets and that is what we are going to continue to do.

The hon. member talks about last year's budget target being an easy target. If that was true, then the allegation also would be true. It was a very difficult target to hit. In three years we will have taken the deficit from 6 per cent of GDP down to 3 per cent.

As far as proof that it was a very difficult target I would only cite the leader of the Reform Party and the hon. member who last year stood up and said that we would never hit that target, that the sky was falling and we had to have countless mini–budgets. We did not have mini–budgets. We beat the target that member said we could never hit.

* * *

[*Translation*]

TELEFILM CANADA

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the heritage minister.

The committee in charge of reviewing the mandate of the National Film Board, Telefilm Canada and the CBC has postponed until January 15 the tabling of the report that was supposed to be released today.

The Quebec motion picture and television production industry is very disturbed by rumours of Telefilm Canada being dismantled. In a letter to the Prime Minister, spokespersons for this industry have condemned the government's plans to abolish Telefilm.

How can the minister reconcile delaying the tabling of the Juneau report until January 15 when budgetary decisions have to be made now about three major Canadian cultural institutions, namely the National Film Board, Telefilm and the CBC?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, there is no doubt that I would have liked to have received this report today, but that is not the case. I have spoken to the chairman of the mandate committee, and have pointed out to him that I fully intend to have the January 15 deadline met. At that time, I will release the report.

As for the relationship between mandates and budgetary decisions, it is clear that we will need to work faster, and we will.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, does the minister intend to grant the private industry and audiovisual industry's request, which is a real cry of alarm, that Telefilm and the resources allocated to the motion picture and television production industry be maintained?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague mentioned earlier that the government was planning to dismantle Telefilm Canada. I would like to know where she got that information. How could we plan to do so, when we have not yet received the report, which, as she just said, will be tabled on January 15? Decisions will be made at that time.

[*English*]

THE ECONOMY

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, for the second time this year the OECD has proven that the Liberal economic and social policies are failing.

The Liberals have driven growth down to 2.3 per cent from 4.2 per cent. They have increased taxes and killed jobs. They have driven more people on to welfare and closed more businesses.

If the Minister of Human Resources Development really cared about the 1.2 million people he has left unemployed, would he not create jobs by rolling payroll taxes back by more than the wooden nickel he is?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member's question reminds me of that very felicitous phrase used by her colleague from Calgary when referring to the Minister of Health. It seems that like dogs the members of the Reform have a fascination with trees.

In response to the question, the hon. member knows that tomorrow we will be presenting an employment insurance package. I think the hon. member will find there will be a number of initiatives in that package that are designed to help Canadians get back to work and, in particular, to provide incentives for the business community to create jobs.

• (1450)

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I do have a sense of humour, so I will let that tree comment pass.

The Minister of Human Resources Development is a tax junkie. He gets his fix by funnelling billions of dollars from UI into wasteful job creation schemes and into deficit reductions. However there is hope for recovery. The minister can register today in a 12–step program to break his tax addiction.

Will the minister commit to breaking his tax addiction by rolling payroll taxes back by more than a wooden nickel?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I appreciate the hon. member's sense of humour. It is always nice to discover that somebody in this House has one. It is a refreshing change.

However, the hon. member should check with statements made by the finance critic for the Reform Party. He was complaining about all the problems related to the deficit. Now the hon. member wants us to take away even more money, which

would add to the deficit. It would seem to me that sooner or later the Reform Party should get its act together.

* * *

STATUS OF WOMEN

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, it has been 25 years since the Royal Commission on the Status of Women outlined its concern with regard to women's economic status, specifically, various aspects of their paid and unpaid work.

Could the Secretary of State for the Status of Women please inform the House what the government is doing to improve the economic status for women?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, while it is true that the royal commission looked at the economic status of women and related that as well to ensuring that violence against women would be reduced, we also brought in the whole question of employment equity and the right of women with equal competence and merit to have access to fair jobs and to break the glass ceiling, as it is called.

At the same time, we have recognized that the unpaid work of women and men is of great value to our society. It was an issue we brought to the meetings in Beijing. The issue of unpaid work and its value is now part of the platform for action out of Beijing. Canada is the first country in the world that will measure both the work and the value of unpaid work to our society as we push and promote women's economic access to independence in our country.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is directed to the Minister of Citizenship and Immigration. Anatoli Delets and his family came to Canada from the former Soviet Union in 1992. Their refugee claim has been turned down and this family, despite having integrated well into Quebec society, will soon be deported to Moldavia. There is every reason to believe that they will be subject to the same persecution as they were before they left that country, for Mrs. Delets is Jewish and is not considered a Moldavian under that country's laws.

How can the minister explain that, instead of exercising his discretionary powers to allow the Delets to become permanent residents, he has allowed employees of his department to arrest Mr. Delets and place him in a detention centre awaiting deportation, which will take place as soon as his wife is released from hospital?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the people the member refers to had full due process under what can argued to be the best refugee determination system in the world. They have also received a humanitarian and compassionate review from my department as well.

There was also the possibility of trying to facilitate in response to the family, rather than going back to Russia perhaps for a facilitation into Israel.

It is absolutely unfair for this member, given the statements that have come from that side of the House with respect to immigrants and the role they can play in society, to suggest that Canada has been unfair to them.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, Mrs. Delets is ill in hospital. Where is Canada's humanitarian policy? Does the minister not believe that it is his duty to show compassion when there is every reason to believe that the Delets family faces incalculable risks, since the Moldavian embassy in Washington has notified them that they are no longer welcome in that country?

• (1455)

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, when it comes to compassion and how we treat Canadians from various ethnocultural backgrounds, we need no lectures, no lessons from that side of the House.

No one suggested we would take her out of the hospital and deport her. There were rumours suggesting that we were going to deport part of the family and leave the other part in Canada.

Members of Parliament from our side made representations to the ministry and officials with respect to a compassionate deportation. We have shown that compassion. We have not forced anyone from a hospital bed. To make such allegations is simply a reflection of the manipulation for which his party is well known.

* * *

HIV–AIDS

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, when we toured the Saskatchewan penitentiary in Prince Albert the guards expressed concern that neither the guards nor the prisoners were aware of inmates who were HIV positive. They did not even know which inmates had AIDS.

Can the Solicitor General of Canada tell us when he will protect the lives of guards and prisoners by making HIV–AIDS testing mandatory for all prisoners?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, a year ago there was a report of an expert committee on this matter.

The correctional service is moving to implement almost all the recommendations of the committee designed to control the spread of AIDS in federal prison institutions and have a safer atmosphere for inmates generally.

There is an increased use of testing but mandatory testing raises important legal and constitutional issues which are still being considered. We are working to deal with the issue in the spirit and light of the recommendations of the expert committee.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it logically follows then if the solicitor general is not willing to make HIV and AIDS testing compulsory, that the government and the minister will be liable for damages when other prisoners and guards contract HIV or AIDS while under his care.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Correctional Service of Canada has been moving for over a year to implement the recommendations of the expert committee on AIDS. This includes a greater degree of HIV testing as well as a number of other measures to control, limit and lessen the spread of AIDS.

I would think that if the hon. member is concerned, he would read the report of the committee and support us in implementing its recommendations.

* * *

CANADIAN WHEAT BOARD

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the minister in charge of the wheat board.

In the 1970s, farmers bought hopper cars through the wheat board and governments bought hopper cars because railways refused to supply cars for shipping grain.

Recently the minister's SEO committee recommended that farmers pay $1 per tonne for the purchase of the government's 13,000 hopper cars. Although farmers would pay for them, ownership would revert to the railways.

Since the deregulated U.S. style system this government is emulating has one abiding rule, if you want rail service, you had better own rail cars, why does he not instead allow the wheat board to own the cars on behalf of farmers?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. gentleman is referring to a report that has been received by the government from a group of senior executive officers in the grains industry, including a number of farmers, which has come forward with some ideas about how to deal with hopper car ownership and rail car allocation issues.

That report is presently being discussed among farm organizations in western Canada. As yet the government has taken no decision with respect to our response to that report.

One point is important to note. The report represents a consensus among a widely divergent range of interests. It is not entirely fair to the situation to single out one recommendation relating to car ownership and not also observe that another recommendation from the SEO's group to balance that recommendation was referred to by the hon. gentlemen. Another recommendation from that same group was to maintain a maximum limitation on freight rates for a period of one full decade.

* * *

• (1500)

AIRLINE SAFETY

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Transport.

Considering that pilot safety is one of the most serious issues facing the Canadian airline industry today, can the minister tell us when he will implement the flight duty regulations introduced this summer?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the whole question of how the pilots and the attendants spend their time, how many hours they are allowed to work, has to be taken into account as a result of extensive consultation with the industry. We have also looked at what happens in other countries. We have tried to strike as fair a balance as we can.

I am pleased to advise the hon. member that we will be introducing and implementing those new regulations late next spring.

The Speaker: This brings to a close the question period.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, it would be appreciated if the Government House Leader would announce the business of this House for next week.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, today and tomorrow the House will consider second reading of Bill C–110, the bill on the regional veto. If

this is completed, we will call Bill C–108, the housing legislation, followed by Bill C–99, the small business loans bill.

On Monday the House will deal with the motion now on notice in the name of the Minister of National Defence regarding the Bosnia peace process. Tuesday shall be an opposition day. On Wednesday we will return to the resolution concerning a distinct society. Next Thursday and Friday shall be opposition days.

GOVERNMENT ORDERS

[*English*]

CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of the motion that Bill C–110, an act respecting constitutional amendments, be read the second time and referred to a committee.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, it is my pleasure to speak on this matter today, especially in light of some of the comments made earlier by different members, in particular from the Reform Party.

In discussing this piece of legislation we have to look at what has already taken place and the rules that are presently in place. We have to look at the existing rule, the seven, ten, and fifty rule, requiring seven provinces out of ten to agree, with fifty per cent of the population. Under this particular rule, the Atlantic provinces, if they all agree on not supporting an amendment, have a veto. Ontario has a veto simply by virtue of population. The western provinces, if four of them get together, effectively have a veto as well. The only region of Canada that does not have a veto under the rule is Quebec.

• (1505)

It is not a matter of fairness when one region of Canada does not have a veto when three regions already can effectively veto legislation. We have to look at rectifying this situation.

Under Bill C–110 there are four regions, which have been referred to many times. One has to read Bill C–110 closely to determine that it does not deal with vetoes; it simply deals with the consent that is required to effect a constitutional amendment. Under the bill the consent of Ontario is required, the consent of Quebec is required, and two or more of the Atlantic provinces that have a combined population of at least 50 per cent of the population of all the Atlantic provinces, as well as two or more of the western provinces that have a combined population of at least 50 per cent. The rules change somewhat when moving to the second step.

I suggest the people of Saskatchewan now are better off. Under the previous rules it was quite difficult for Saskatchewan to stop legislation. It was difficult for Saskatchewan to deal with legislation because to exercise the veto all four western provinces had to agree. Under this rule, however, Saskatchewan along with B.C. or Saskatchewan along with three of the western provinces can stop legislation. It is much more effective for the province of Saskatchewan than in the past.

For a small province like Saskatchewan this is most helpful. The population of Saskatchewan is small, but it is being treated very well by Bill C–110. Saskatchewan's position has improved, but it has not improved at the cost of any other province.

I have listened to the speeches of Reform members. They indicated there should be five regions, with B.C. having a veto, or even six regions, with B.C. and Alberta having vetoes. It appears they are willing to cut loose Saskatchewan and Manitoba because there should not be two provinces in one region having a veto with such a small population. I find it interesting that the Reform Party would cut loose those two prairie provinces by having vetoes for the two most westerly provinces. It would cut them loose and they would not have a say in constitutional amendments. Are the occupants of these two provinces simply chopped liver?

The federal government has considered all the regions of the country and all the provinces, no matter how small the population. Saskatchewan was considered, Manitoba was considered, and provinces such as P.E.I. were considered.

To hear Reformers speak, it certainly appears that the Reform Party is willing to abandon Saskatchewan. The Reform Party has not proposed anything for Saskatchewan and Manitoba. It has not proposed anything because the Reform Party has abandoned us. Let me remind the Reform Party that in the next election the people of Saskatchewan will not forget what Reform has done.

The suggestion has been made that British Columbia may reach 50 per cent of the population in western Canada. That is a possibility. If any more people from Saskatchewan move to British Columbia, it should reach that sooner than we may think. That has certainly happened in the past. However, Saskatchewan can hold its own and may attract a few people back to Saskatchewan from British Columbia and may hold its own for the next number of years.

• (1510)

If British Columbia reaches the level of having 50 per cent of the population, some of the speeches made today by the Reform Party indicate that in effect British Columbia would have a veto and none of the other provinces in the west would have any effect. This is absolutely not true.

Two or more provinces with 50 per cent of the population in the west must consent to a constitutional amendment. Yes, British Columbia may get a veto if it has 50 per cent of the population, but even if British Columbia wants to consent to

legislation, the other three prairie provinces can stop that legislation even though they do not have 50 per cent of the population. In effect, both areas have a veto. British Columbia has the veto and the prairie provinces have a veto.

Again, it appears this is a little too much for some members of the Reform Party to indicate in the House. They want to show that we have not given any consideration to the prairie provinces, which is absolutely false. All areas of Canada have been considered by the Liberal Party. In particular, all small provinces have been considered, whether they are in the prairies or elsewhere.

The Reform Party has complained that B.C. does not have a veto now, and then says that if it does the prairies will not have any say. As I have indicated, this is not only wrong, it is false and a misrepresentation of what is in Bill C–110.

It certainly would help if the members of the Reform Party, before they start speaking in the House on a bill like Bill C–110, read the legislation. It is very short; it is one paragraph and two subsections. It is not very difficult to go through. It would maybe take a minute if they concentrated on it, half a minute if they went through it quickly, five minutes if they wanted to reread it. Simply going through it in that manner, they could and would determine that both areas have a veto built in. British Columbia, when it reaches 50 per cent of the population, would have the equivalent of a veto. The three prairie provinces together would also be able to stop legislation, because consent requires two provinces in the west.

We have accomplished what the Reform Party has been talking about. Unfortunately the Reform Party has not seen this today.

That is a perspective from a small province in western Canada, the province of Saskatchewan, which is benefiting from Bill C–110, as do many other regions of Canada. And it is benefiting not at the expense of any other province.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, it is very interesting to hear a member from the province of Saskatchewan oozing around this question of what the legislation will do for or to the small provinces. I am glad he has cleared this up, because we know that Saskatchewan has not been relegated to fourth class status but only to third class status. This is progress. I really do appreciate the hon. member's words.

When he goes home to Saskatchewan and is able to present his case before his electors, I am sure they will be thrilled beyond measure by this. If the name of a certain Norwegian during the last war, which Beauchesne will not let me mention, is ever raised at one of his meetings, he will know what they are talking about.

Mr. Bodnar: Mr. Speaker, it is nice to hear comments from a member when he refers to oozing around this. Unfortunately I do not know what he means by oozing. The reference that we are not relegated to fourth class but to third class is absolutely false and shows a complete misunderstanding of what is in Bill C–110.

• (1515)

Under the existing constitutional formula the province of Saskatchewan could only stop a constitutional amendment with three other provinces. That would require all four provinces in the west to stop a constitutional amendment. Under this legislation, Saskatchewan with three of the smaller provinces in western Canada could stop the legislation or Saskatchewan and British Columbia could stop an amendment.

This is a tremendous improvement for the province of Saskatchewan. I simply ask that the member perhaps look at the legislation first.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, it is with great pleasure that I rise today to participate in this important debate. Bill C–110 may be one of the smaller bills we will debate in the House. Although it is only comprised of one clause it is certainly one of the most important.

This past Monday the Prime Minister announced three key initiatives: to recognize that Quebec forms a distinct society within Canada; to undertake changes to bring government services and decision making closer to citizens; to ensure that we do not make any constitutional changes that affect Quebec without the consent of the Quebec people.

Bill C–110 is an important component of our commitment to a united Canada. It is also proof of our government's willingness to make positive and substantial changes to the way Canada works. As the Prime Minister and the government have proven time and time again, when we make a promise we keep it.

Liberal governments in the past have offered strong support for regional vetoes. The action we are taking now transforms the principle we have long supported into reality.

I will take a few moments to go through some of the specifics of the bill. As it currently stands in Canada's Constitution, only the federal government has the specific veto over constitutional change. This legislation will change that.

By implementing Bill C–110 we will now require consent of all Canada's regions, Quebec, Ontario, Atlantic Canada and the west, before any constitutional amendments that affect them can be proposed in Parliament. In the case of Atlantic Canada and

the west, consensus much be reached by two or more of the affected provinces representing more than 50 per cent of the region as a whole.

In tabling the bill our government is keeping a commitment we made to the people of Quebec. We also recognize that the constitutional amendment process is of interest to all parts of the country. That is why we are lending our veto to Canada's four regions.

The one clear message we heard on October 30 was that the status quo was no longer acceptable. I have also heard this message from my constituents in Annapolis Valley—Hants. During the referendum campaign and in recent weeks I have spoken with many people on the issue. I have received numerous telephone calls and letters from constituents who have offered many valuable ideas and suggestions. I have moved those suggestions on to the appropriate people.

In Annapolis Valley—Hants people have said clearly that they want Quebec to stay. They have also clearly expressed their desire to be heard on any future constitutional issues. The implementation of a regional veto will achieve both these goals.

It responds to the concerns of Quebecers. For many years Quebec has called for a veto on amendments to the Canadian Constitution. By implementing Bill C–110 we are saying that we want Quebec to be an active participant in the evolution of the Canadian Constitution.

• (1520)

The bill will also protect Quebec against amendments that could diminish its powers, rights and privileges. The government recognizes the legitimacy of Quebec's concerns. Bill C–110 offers strong recognition of the fact that as the nation evolves we must work to ensure constitutional changes are acceptable to all Canada's regions. We also recognize that constitutional change cannot and should not be made if a substantial portion of Canada's population does not approve.

In the final days leading up to the no vote the nationwide grassroots outpouring of public sentiment was a significant factor in the no victory. The giant 150,000–person pro–Canada rally in Montreal was an emotional watershed in Canadian history. Tens of thousands of Quebecers came out and declared their desire to remain in Canada. Canadians from every province came to Quebec to say loud and clear: "We want you to stay".

I was fortunate, along with other members, to have the opportunity to be at that rally. That morning I was in Dorval airport waiting for the unity plane to arrive from Halifax to join with my fellow Nova Scotians and Atlantic Canadians in delivering a message of unity. It gave me the opportunity to share their deep affection for the country. I never felt more proud to be a Canadian.

Some people say Canadians do not wear their flag on their sleeves and do not show their national pride. When the chips are down Canadians are the proudest people of any nation on earth. Now is the time for us to repay the confidence the people of Quebec have shown in us. It is time to prove to Quebecers that their trust is not misplaced.

It is true the initiatives we are now debating will not satisfy leaders of the separatist government in Quebec or separatist members in the House. Quebec leaders have been very vocal in their refusal to negotiate with the federal government. However in so doing they are doing a disservice to their constituents. The people of Quebec are more reasonable than the extremist leaders of the yes camp. These changes will help to restore their faith in Canada.

I support the bill because it addresses the concerns in Quebec and the desire of citizens in all Canada's regions to be heard on constitutional issues. This initiative shows that we have listened to the call for change. We have listened to the people of Quebec and we have listened to our constituents. Now is the time to move forward.

Canada is a continuously changing and evolving federation. By supporting Bill C–110 we can be sure future change will be beneficial to Quebec and all other Canadian regions.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I will be splitting my time with the hon. member for Kindersley—Lloydminster.

It gives me pleasure as a loyal Canadian to rise in the House today to speak to Bill C–110. It is a privilege to stand in the Chamber to outline the reasons I oppose the bill. As someone who was not present as a member of the House when the previous Parliament debated the Meech and Charlottetown initiatives, I nonetheless have an eerie feeling of déjà vu. If the legislation were some grade B horror movie they could very well have called it "Son of Meech".

• (1525)

I must preface my opposition to the bill by noting an old saying I have heard several times in the House: those who do not learn from the mistakes of the past are destined to repeat them. History, or so it would appear, is not a subject with which the framers of the legislation are even remotely acquainted. Those historical remarks come very close to describing the thoughts of all Canadians on the bill.

I listened to the Prime Minister yesterday and I looked at the bill before the House today. I cannot help but ask myself if the Liberal government has not learned anything in 30 years of constitutional wrangling. The answer would clearly appear to be a resounding no. This would be much the same response Canadians everywhere would give to this package if, and it is a big if, they could be given a say in its acceptance or rejection.

The bill does not give the power of veto to the people. It is the very worst kind of top down decision making because it gives the final say to politicians. To this I ask again if hon. members on the other side have learned nothing. Worse yet, this initiative along with the motion tabled in the House yesterday is an action born out of desperation. It is the worst example of so–called leadership we have seen in recent memory.

Without consulting his caucus, the unity committee, the premiers or the Canadian people, Mr. Chrétien has unilaterally offered further appeasement to Quebec separatists.

The Speaker: Order. I know it was probably a slip but we refer to other members by their titles and not by their names.

Mr. Ringma: Forgive me, Mr. Speaker. It was an oversight. I meant the Prime Minister.

In any event I ask the Prime Minister and the government if they have not learned anything from the past. It is clear that the Prime Minister has not. He is determined to allow history to repeat itself. Following his speech yesterday on the other half of this initiative, the hon. member for Beaver River was moved to say it was like listening to former Prime Minister Mulroney defend the Charlottetown accord.

In addition to telling the past, history also affords us the ability to gaze tentatively into the future. That is why when I look at the bill I see past failures along exactly the same lines as those being proposed here.

The bill seeks to implement an amending formula similar to that contained in the Victoria charter of 1971. However, just as insulting to Canadians, the formula was rejected at the time by provincial premiers. The initiative before us does not take into account the realities of today's Canada, that the people of the country want a final say in how their Constitution is amended through referendum. They do not want the process controlled from beginning to end by the political elites of the country. That much should have been learned by the government following the Charlottetown accord.

The bill would certainly place a constitutional straitjacket on any certain constitutional changes, no matter how desirous they might be. The bill would allow the federal government to withdraw its support for any proposed change if either the premier of Ontario or the premier of Quebec did not like it.

• (1530)

In addition, as this bill would not be part of Canada's Constitution so far, the old amending formula would apply as well. The combined effect of this situation means some bizarre form of double jeopardy would apply to proposed constitutional amendments. That is not good.

Beyond that, this bill would not be acceptable to many Canadians because it gives the separatist Government of Quebec a veto over the Canadian Constitution. I ask that the members on the government side think about the consequences of that action for a moment. A separatist government would now be handed a de facto veto over the Constitution of a country it has decided to break apart. Has the Prime Minister thought about the consequences of such an action?

From a personal perspective as a representative from the province of British Columbia, I am offended by this bill. Implicit in it is the notion that British Columbians are relegated to second class status in Confederation. I would also remind members across the way that along with Alberta and Ontario, B.C. is one of the three net contributors to Confederation. All that this legislation serves to do is perpetuate the mindset within the federal government that B.C. and the west is a colony.

When I was a boy in Vancouver some 50 or 60 years ago, I was conscious of a separatist movement within British Columbia at that time. It came about because it was resentful of the treatment accorded the west by central Canadian interests. It seems to me that precious little has changed since then, despite the fact that B.C. is now the third most populous province.

I have a warning for the government across the way. Proposals such as Bill C–110 before us are sure to rekindle the separatist fire in the west. That is something we do not want to have happen.

As a loyal Canadian, I will be voting against this bill every step of the way.

I further encourage members opposite to join with me and do the same if they think about the constitutional consequences of this bill for Canada, if they believe in their heart of hearts that the people of this country, not the governments, are the ones who know what is in their best interests. If they understand the lessons that 30 years of constitutional bickering have taught us, if they truly understand all those things, then they must vote against this bill. To do otherwise is an affront to all Canadians.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, the hon. member from Cowichan and the Islands misunderstands the intent of Bill C–110. He claims that the people would like to have the final say in constitutional matters. Bill C–110 does exactly that. Let me explain to the hon. member.

If his great province of British Columbia, a province in which I resided at one time, would like to cast a veto and would like to borrow the federal veto but before doing that it wants to go to the people of British Columbia in a referendum to sanction that action, that is allowed for in Bill C–110.

Bill C–110 in no way stops the people of British Columbia from taking a decision on a constitutional matter. That includes the veto. If the member wants the veto of the province of British

Columbia sanctioned by the people, for heaven's sake go right ahead and do it.

I can assure the member that under this legislation, if the province of British Columbia comes to us along with another province in the western region and says, we want a veto cast because we have held a referendum and the people in our province have asked for the veto, it will be respected under this law. There can be no other interpretation. You can respond to that if you like.

• (1535)

The Speaker: Order. I encourage all hon. members to address the Chair instead of speaking to one another.

Mr. Williams: Mr. Speaker, I rise on a point of order. The previous speaker kept referring to something other than the motion before the House.

The Speaker: We are going to have an answer here from the hon. member for Nanaimo—Cowichan if he cares to have the floor for a minute or two.

Mr. Ringma: Mr. Speaker, the main response I would have for the hon. member is that the intent of this bill is not directed at British Columbia or the west. The intent of the bill is another sop to the separatists of Quebec. That is its total intent. In effect, the west is disregarded, as it has been, as I tried to point out, for the last 50, 60, 70 years. It is a continuation of the same old thing.

Anything the member might say about what wonderful things this will do for the west I reject as nonsense.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I thank the House for the opportunity to speak to Bill C–110.

This is a serious time in the history of our country. I see all the empty chairs across from me. I cannot speak to members who are not here, but you would think there would be more than two Liberal members in the House.

Mr. Harvard: Respect the rules.

The Speaker: I ask all hon. members to refrain from mentioning whether the House is full or empty, who is here and who is not. There are traditions.

Mr. Hermanson: Mr. Speaker, I know that many Canadians are watching as we debate Bill C–110 which would give veto power over constitutional change to four regions in Canada, one region being the region I am from, western Canada, four provinces with a population of over eight million.

I have been requesting feedback from the province of Saskatchewan. Early indications are that there is absolute rejection of the proposal put forward by the government in Bill C–110 and also in the motion we debated yesterday, the motion on recognizing the distinct society as a special status for the province of Quebec.

I plead with the government to reverse its direction, reverse its position and walk away from the failures of the past, the closed door approach, and embark on a new course of action, an open and an honest approach with clear proposals that are made open to members of the public, that they can access those proposals and that they can also express their opinion in quantifiable ways.

I want to talk about past performance. When we have gone down this road before what has happened? We have two classic examples, the Meech Lake accord and the Charlottetown accord.

I grant that with the Charlottetown accord there was a referendum and Canadians were able to express their opinions. From one end of the country to the other they said no to the Charlottetown accord. They said no in the province of Quebec, but they also said no in the province of Saskatchewan, the province of Alberta, the province of British Columbia and even the province of Nova Scotia.

How do we come up with these concoctions, particularly the Meech Lake accord and the Charlottetown accord? How did we develop something that was rejected so adamantly by Canadians?

It started out with 11 people behind closed doors. If you go back to the Meech Lake accord, it was 10 premiers and the prime minister. It was Prime Minister Mulroney, the Conservative prime minister. They got behind closed doors and began a wheeling and dealing session. We are opening the opportunity for another wheeling and dealing session with Bill C–110.

What happens when they start wheeling and dealing behind closed doors? In Saskatchewan, Premier Devine sat at the table and said: "I will go along with this Meech Lake accord idea, but I want something for it". What did he ask for? He got a billion dollars for the agricultural industry. It was a difficult time for agriculture, so he said: "I will sell my soul for a billion dollars".

I spoke shortly after that decision with an aide of one of his MLAs. This was during the time of the GST debate when the federal government was trying to implement the GST. I said to this member's aide: "Why did our provincial government agree to lend support? Why are we going on with the GST and why are we going along with the Meech Lake accord concept?" Very honestly this assistant said: "You have to do something to get a billion dollars".

• (1540)

We have paid billions of dollars in GST to get that billion dollars. As a province we signed on to the Meech Lake accord even though the people of Saskatchewan opposed it.

Closed door negotiations without including the Canadian public is wrong. More than that it is dangerous. It very costly. It detracts from the reputation of politicians. It gives us a bad name.

We got our billion dollars. Newfoundland got Hibernia. Joe Ghiz in Prince Edward Island got the fixed link. Mr. Bourassa thought he was going to get a special deal for the province of Quebec. We all remember there was a big news story when his staffers got caught talking on a cell phone. They were debating whether or not he had sold out too cheaply, whether he gave up too much. In this cell phone conversation that was recorded some of his assistants felt that Mr. Bourassa had settled for too little.

That tells us they were wheeling and dealing behind closed doors. They were wheeling and dealing with our future. It is wrong. It is dangerous. It is sad that this government is embarking on the exact same course with the implementation of Bill C–110. It needs to be defeated. It will not be accepted by the Canadian people if they have any say in whether it is a success or not.

The same thing was going on in British Columbia. The wonderful thing about modern technology is that some of these politicians get caught. They get tripped up. One of the B.C. cabinet ministers, Moe Sihota, was in the interior of B.C. He did not realize there was a reporter or a camera there or he was not thinking. He talked about how B.C. had got the best of the deal at other provinces' expense.

There was outrage in the province of Quebec. People realized there was wheeling and dealing behind closed doors. There are winners and losers. The winners are not the people. The winners are the politicians who are trying to get re–elected by making these deals behind closed doors. It is shameful and it is disgusting.

What happened with the province of Alberta? Mr. Getty wanted something but it has not lasted. He got the election of a senator. We have elected one senator to the other place and that was through wheeling and dealing with the Meech Lake and Charlottetown accords. This one happened to be in relationship to the Charlottetown accord. That was his plum and it did not even last. He got one senator elected and after that we just slipped back into the old patronage system where friends of prime ministers are appointed to the other place. It was not a very valuable plum that the premier of Alberta received from his wheeling and dealing behind closed doors.

The previous prime minister, Mr. Mulroney, has been in the news a great deal lately. He was involved in this wheeling and dealing. How did he describe this whole process? He described it as the rolling of the dice. Do you remember that, Mr. Speaker? You remember how incensed Canadians were. It began the demise of the former prime minister as Canadians began to realize these people were not looking out for the best interests of Canadians. They were out to protect their own hides and wheel and deal and see what they could get. They were gambling with our future. It was repulsive to Canadians then and I assure the House, as sure as I am standing here, it is repulsive to Canadians today.

If we give the regions a constitutional veto through their governments alone and bypass the people, there will be wheeling and dealing again. As sure as I am standing here there will be closed door negotiations. They will be sitting in a hotel room somewhere deciding who gets how many senators. They will deciding what distinct society means. They will be deciding what special privileges this confers on the province of Quebec. They will be deciding what plums the province of Ontario gets, if they go back to this wrongful way of deciding our country's future.

It is time for a new direction. It is time to bypass governments and their whips. It can be said these 11 people represent the electorate because they were voted in. I have been here long enough to know that the way the electorate are represented in this House is by way of the traditional party whips who whip their members into voting for legislation. I have been told and I believe that the same thing happens in our provincial legislatures.

• (1545)

You have given power to eleven people without giving true accountability to the public if you allow the provincial governments to have a veto, bypassing the people and not allowing them to speak their minds through a referendum. In most cases Canadians will reject the approach of determining our country's future behind closed doors.

I conclude by expressing how important this is. We are not talking about fishing violations. We are not talking about registering a pesticide. We are talking about the future of our country. We are talking about the operations manual for the future of our country. This will have an impact on my three children. It will have an impact on our grandchildren. It will impact future generations, who will ask how eleven people managed to wheel and deal their future away and no one rose to speak against it.

I am standing against this process. It is wrong. It is harmful to Canada. It is harmful to our reputation as a democracy. It cannot go on. It has to stop. Canadians keep telling us to stop. When will the government listen and abide by the wishes of the people?

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I have to rise again because I cannot believe what I am hearing from the other side of the House.

Bill C–110 has to do with lending the federal veto; it has nothing to do with enabling a constitutional initiative. This has nothing to do with a province wanting to change the Constitution. This is simply a matter of a veto, providing it through federal legislation, offering it to the four regions of the country.

I do not think a service is provided to the Canadian people when this kind of disinformation is disseminated across the country by the Reform Party.

Let us get this straight: this piece of legislation does not change the Constitution one iota. This is a narrow initiative having to do with the veto, having to do with offering the federal veto to the four regions. It is as simple as that. It is unjust, it is wrong, and it certainly is spreading disinformation to speak otherwise.

Mr. Hermanson: Mr. Speaker, in responding to the hon. member for Winnipeg St. James, we are not talking about a change to the Constitution, but about a new constitutional procedure that could be implemented under the seven and fifty rule.

We are talking about using the legislatures of the provinces twice to try to implement something behind closed doors, rather than going to the Canadian people to ask them directly what their opinion is and then having that ratified by the seven and fifty formula, seven provinces with fifty per cent of the population agreeing to the constitutional change.

This is a very dangerous bill. It is trying to pit province against province. It is trying to find out who will put forward the best deal. B.C. and Manitoba in the western provinces, or Nova Scotia and Newfoundland in the Atlantic provinces, can somehow concoct a deal with the federal government, with the support of Ontario and Quebec, to change our Constitution without going to the Canadian public. Once that is done, the second step is much easier, which is getting seven provinces with fifty per cent of the population to agree to the constitutional change. It is sneaky, it is crafty, and it is wrong. It should be stopped.

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, I am pleased to rise in the House today to speak on Bill C–110, an act respecting constitutional amendments. I applaud the Minister of Justice for bringing forth such legislation at a time when our country is looking to its politicians for direction. I feel that this legislation is an important first step toward involving the provinces more directly in the introduction of constitutional amendments that directly affect their respective citizens.

• (1550)

I was in Verdun on the Tuesday before the referendum and I heard the Prime Minister's commitments to Quebecers and to Canadians. I was in Montreal on the Friday for the incredible unity rally with a large delegation from my South Shore riding and with some of my family. I experienced the incredible goodwill and outpouring of affection for Quebec and of course for Canada that occurred in Montreal. There were 150,000 of us, but we represented many more.

Those of us who were there and the many others we represented came away from Montreal with a renewed commitment to Canada and a greater understanding of what this country is all about. We also recognized that there would have to be changes in the federation of Canada, not only a recognition but a will to see that this would be done. We left Montreal fearful for Canada but confident and recognizing that after the vote the promised changes would have to be implemented.

After an agonizing Monday evening we all woke up on Tuesday morning realizing that we had almost lost our country, almost lost Canada. We also woke up with a renewed will to do what had to be done to ensure that Canada was not destroyed. There was a recognition that Quebecers voted for change but change within Canada.

This bill and the distinct society motion are both a fulfilment of the Prime Minister's commitment made in Verdun and a beginning of the change Quebec voted for, which Canadians support.

In a federation like Canada there is a delicate balance of power between the provinces and the federal government. Throughout our country's history it has not been easy to maintain this balance and appease the entire country. Let us face it, Canada is both the most decentralized country in the world and the largest. People want to maintain their own identity associated with their respective province. Yet many of our most fundamental services are centralized in the federal government.

I feel very close to my home province of Nova Scotia and to Newfoundland, my province of birth. Yet I am most certainly a federalist. It is important to maintain certain services at a national level so that this diverse country remains the same in some ways and creates a common bond among all Canadians.

I believe this bill is very important to Canada as a federation. It is not easy for any federal government to accommodate all facets of its society. This bill is a step toward hearing the voices of the provinces, especially in cases where amendments put forth by the government could be detrimental to a particular region of the country.

As I said previously, Canada's federation is a balancing act. The desires of all provinces must be taken into consideration and given their due weight in the entire scheme of things. The way in which the veto power will work I am sure was not an easy thing to determine. However, the formula that has been decided upon is in my view satisfactory. This particular formula is a replica of the formula contained in the Victoria charter, which has been discussed in constitutional circles for decades. Even as recently as 1991 this formula was recommended for adoption.

The provinces will now be doubly protected in constitutional matters that directly affect them. This, in conjunction with the Prime Minister's motion on distinct society, is part of what Quebec has been asking for. I believe the other provinces will be pleased to have the same power to veto.

The balancing act I have mentioned is not only between the federal government and the provinces, it is also among the provinces. Provinces, like people, feel it is paramount to maintain equality with their counterparts and receive equal treatment. That is why I am pleased this bill will make regions within Canada equal to all other regions. Most important, the veto will involve all ten provinces, not just one. The balance has been maintained.

Coming from a province the size of Nova Scotia, I am pleased that the veto has been extended to all of the regions. It will serve as an added protection to all provinces, especially for smaller provinces, as in Atlantic Canada. The fact that the provinces included in the regions are either alone or grouped together with provinces with similar demographics makes the bill both fair and equitable.

• (1555)

The new veto is especially important to Quebec. Quebecers should have the right to halt a constitutional amendment that could endanger the preservation of their distinct culture, language, and civil law. It is unfortunate, however, that the Bloc Quebecois will not accept this bill as a first step toward what should be our common goals. The Bloc will do everything in its power to discredit this type of action, although any other action, be it constitutional amendment or whatever, would prove to them to be unacceptable.

The agenda of the official opposition is to have Quebec separate from Canada. Hon. members opposite should accept reality and come to the realization that Quebecers voted to stay within Canada. We on the government side have recognized this fact and are dealing with it. This bill is a first step toward improving our country and making some necessary changes.

While the Bloc will argue that this bill does not go far enough, the Reform Party will argue that it goes too far. The Reform Party will agree to change only if that change means nothing. There are some members of Parliament who would like to separate Quebec from Canada. There are other members of Parliament who would like to separate Canada from Quebec. These people will never be satisfied.

The Constitution is up for review before April 1997. It will be counterproductive to have constitutional talks now rather than waiting for the review to take place so that we know if and where changes are needed. This bill, as I have said, is the first step toward fixing what needs to be fixed in Canada. I believe it will be quite productive to deal with one issue at a time, as the Prime Minister is presently doing.

Quebecers who voted in the referendum want Parliament to prove we are listening to them. Canadians who wished they could have been at the rally in Montreal want Parliament to prove we are listening to them. Canadians want Parliament to make sure we do not lose sight of the forest for the trees.

I hope those Canadians who invested their hearts in the rally in Montreal will see that Parliament is working hard to make a difference for the better. I hope Quebecers and all Canadians will encourage their members of Parliament, regardless of their party affiliations, to vote for this progressive course of action.

This bill is central to the accommodation of the diverse cultures that are evident in Canada's four regions.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, it gives me great pleasure today to speak in favour of the actions being undertaken by our government to further the process of ensuring a united Canada. Our actions will recognize the reality of Quebec as a distinct society, increase veto power, and move to eliminate duplication in the area of training.

Prior to the victory for national unity in the recent referendum in Quebec, Canadians from all provinces told us they wanted Quebec to stay in Canada. They told us they understood Quebec's frustration, understood that we must make changes to address the needs of our fellow Canadians in Quebec. They told us they recognize the depth of the emotion and they understand its source.

We promised Quebec and the rest of Canada we would deliver change to them. We promised them this was not just lip service, but an actual desire, willingness and commitment to achieve change for lasting unity in Canada.

I contrast that to the actions of the third party, whose solution to this problem is to pit region against region, one part of Canada against another part of Canada, and whose view of this nation is one in which national standards are gutted so that the right become richer and the poor are abandoned.

We in the Liberal Party believe in Canada, a Canada that includes our historic First Nations, the founding European people, both French and English, and the many who have come since who have added to the diversity of this great country.

• (1600)

We believe in a Canada in which its citizens collectively have accepted a social responsibility to maintain a social safety net, including health care, education, security for seniors and income support for the unemployed. Most of all, we believe in a Canada built on compassion and inclusion, not the hate and the division preached by some in this country.

Part of the action we are undertaking addresses one of the issues of foremost importance to Quebec. It recognizes that Quebec is a distinct society within Canada. It recognizes those items that make Quebec distinct: a French speaking majority, a unique culture, and a tradition of civil law. These distinctions

are not new. They do not exist at the expense of other parts of the country. It is time that Canada officially recognized this reality.

Our initiative to recognize Quebec's distinct society within Canada is part of our overall commitment to change. That includes the concepts in Bill C–110 which gives all of the regions of Canada, including Quebec, a veto in matters of constitutional change.

As a result of this bill, we will require the consent of Quebec, Ontario and the Atlantic and western regions before any constitutional amendments will be accepted by the Parliament of Canada. This will ensure that all provinces will be active participants in any evolution of the Canadian Constitution. It will protect the regions of Canada against amendments that could potentially diminish their powers, rights and privileges.

We are also introducing measures to give the provinces jurisdiction over training to eliminate program overlap and to give all provinces the flexibility they need to deliver training effectively. These are strong first steps toward refining our relationship with Quebec and building a stronger Canada. These are part of our commitment to Canada and to all Canadians.

We live in the greatest country in the world. All members and our constituents, we are Canada. What we do in the House affects all Canadians. Our goal is to preserve all that is great about Canada and to change that which needs to be changed. These are the reasons we will achieve lasting unity. By working together, by listening to each other, by honouring our commitment to change, we demonstrate our commitment to each other and to the country. That will be our legacy to future generations of Canadians.

I think we are on the right track. Members of the third party think we have gone too far. Members of the official opposition think we have not gone far enough. I believe both of these parties have not thought this through. They are fighting to gain control for their own self–serving purposes while our government is fighting for Canadians and for Canada. That is what is important now. Our actions speak louder than their words.

Several weeks ago I was on a bus that came from my riding of Parry Sound—Muskoka. It was filled with constituents who wanted to be at the giant national unity rally in Montreal to show Quebecers they were committed to a united Canada and to making change so that Canada works better for all of its citizens.

As parliamentarians, we are now charged with the responsibility and the privilege of following through with our promises, of living up to the faith and the trust that Quebecers and Canadians placed in our hands following the referendum. We will not let our country down. We will proceed logically and practically to build on Canada's strength to work for conciliation and to better the lives of all our citizens.

These measures are both important and meaningful. What is more significant, they are achievable in the short term. We can simply recognize the reality that Quebec is a distinct society, that all regions of Canada want to have a say in constitutional change and we are doing that quickly and expeditiously.

The action can later be entrenched in our Constitution if we so desire, providing Quebec indicates its desire to do so. Granted, if the Leader of the Opposition becomes the next premier of Quebec he has already indicated that he certainly does not want Quebec's distinctiveness to be entered into the Constitution.

• (1605)

The member for Lac–Saint–Jean talks from both sides of his mouth, as they say. He demands change for Quebec but when it is offered, even before the details are known, he rejects not the proposal but the very fact that it is offered. He does not appear to care about trying to make Quebec a better place in which to live. He certainly does not care about Canada as he constantly ignores the oath he took when he came to this place as he tries to destroy this country. He cares only for power and his place in the sun.

I believe in my country. I believe in a united Canada from coast to coast to coast. As proud Canadians, we will not soon forget the overwhelming show of support we saw for national unity across Canada leading up to the referendum in Quebec. We will not forget that historic moment on October 30 when Quebecers voted to remain in Canada.

I am very pleased to add my support to my government's pledge for lasting national unity. I am pleased we will achieve our goals quickly and that we will soon return to our task of building an economy in which jobs and growth occur.

I pledge my continued support for this great country, Canada. All of us in this place are here for what will be a blink in Canada's history. In that short time I have a sacred duty and an obligation to my children and my children's children not to let the forces attempting to destroy this country succeed. The people of Canada will stand united and the Government of Canada will ensure that together we remain one strong nation both proud and free.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, the hon. member criticized our leader for saying he did not agree with the distinct society resolution proposed by the government and did not agree either with the veto proposal.

I think the hon. member failed to realize that the distinct society proposal does not give Quebec any power, any opportunity to be distinct.

In fact, what we want is not a piece of paper that offers meaningless recognition of the distinct society concept. Our leader reminded the Prime Minister of this yesterday. So I think the hon. member did not quite grasp the purport of this offer.

First of all, it is not an offer that will be entrenched in the Constitution, and by the way, at the same time they are saying we have a veto. Today, they announced Quebec had a veto. However, they are giving the same veto to the other regions as well. If you give a veto to everyone, it is no longer a veto. It becomes meaningless, because the other regions could use their veto to block Quebec's legitimate demands.

I think this is a trap. They would have Quebecers believe that the government is responding to their aspirations by offering a veto and recognition as a distinct society. I hardly think Quebecers will fall for that.

I have this question for the hon. member. Did he realize what was involved or was his speech prepared by the Prime Minister's Privy Council Office or would he just have Quebecers believe they are not smart enough to understand what the government is offering us today?

[*English*]

Mr. Mitchell: Mr. Speaker, with all due respect to the hon. member, I will answer very plainly.

• (1610)

If the Bloc Quebecois really believes that Quebec is a distinct society, if it really believes that Quebec should have a veto, if it really believes in the decentralization and the turning over of manpower training to the provinces, then Bloc members can prove it very simply and very clearly: vote for the resolution, vote for Bill C–110 and do what they say.

When the hon. member talks as he just has, all he is doing is listing a series of excuses of why Bloc members will not do what they said all along they wanted to have happen. It is all political double–talk. If they want Quebec to be a distinct society, then they should vote for the resolution. If they want Quebec to have a veto, then they should vote for Bill C–110. If you want control over manpower training, then vote for Mr. Axworthy's reforms when he brings those forward. It is fairly straightforward.

The Acting Speaker (Mr. Kilger): Colleagues, I understand the member for Parry Sound—Muskoka has concluded his remarks. I will simply remind the House in two areas. In the one instance all interventions must be made through the Chair and not directly across the floor from one member to the other, and members should be referred to either by their riding or their portfolio.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I listened with interest to the comments made by my hon. colleague from Parry Sound—Muskoka.

When we look at Bill C–110 we are looking at nothing new. We have looked at this kind of approach to the unity question in Canada for the last number of years and it is a failure. If anyone questions the failure of this kind of approach as contained within Bill C–110, all we have to do is look across the floor every question period and see the evidence of that failure which sits 53 strong in this House. For years and years and years we have heard this same kind of approach and it has failed.

One of the most discouraging aspects about this bill is the process. At least two premiers have expressed vehement opposition to it. If the hon. member for Parry Sound—Muskoka believes it is just us Reformers who are trying to split factions and have factions fight against factions, let me quote from the front page of the *Globe and Mail*. Mr. Roger Gibbins, a political scientist at the University of Calgary, says: "This is little short of a constitutional coup d'état by the Prime Minister". Mr. Philip Resnick, a political scientist at the University of British Columbia, states: "The Prime Minister hasn't just got a Quebec crisis on his hands, he may also have an incipient revolt of the western provinces on his hands".

I would ask the hon. member to consider those comments. We are getting all sorts of comments like that from our western colleagues. Surely there must have been some lessons learned from the Charlottetown accord and the Meech Lake accord. Surely that top down approach in process alone spells doom and failure in terms of acceptance by the people of this country, particularly in the area where I am from.

I ask my hon. colleague if he would respectfully address those areas that we have to deal with in dealing with this bill.

The Acting Speaker (Mr. Kilger): I would simply ask the hon. member for Parry Sound—Muskoka for his co–operation for a brief response. When members are splitting their time, the time of five minutes for debate is very short. Therefore the questions must be put succinctly and we must hope that the responses are brief also.

Mr. Mitchell: Mr. Speaker, I will be brief but I will not be able to address everything the member raised.

This is a time in Canada when we need to put the nation first. It is possible to be regionalistic in an approach. It is possible to put the interests of our region first. However it is not appropriate in this case. In this case Canada has to come first. Canadians have to come first. That is what we ought to do.

• (1615)

This plan will work. These measures will work. There is a time when it might need to be constitutionalized, but we are not talking about the Constitution today. We do not want to get into a

long series of where we were in the late 1980s and the 1990s. We have an economy to deal with. We have jobs to create. Let us get this done. Let us do it quickly and do it in the interest of Canada.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I welcome the opportunity today to speak to Bill C–110, which deals with the regional veto.

First, we can say that this year, which is now drawing to a close, was the year of the referendum on the future of Quebec. In fact, on October 30, nearly 94 per cent of registered voters exercised their right to vote. It was an exemplary and laudable exercise in democracy. In this referendum, 50.6 per cent of the population of Quebec said no to the sovereignty and partnership proposal of the Quebec government.

We accept the outcome, although the margin was very narrow, because we always said, unlike Jean Chrétien, that we would abide by the verdict—

The Acting Speaker (Mr. Kilger): I simply want to remind the House that members should always be referred to by their riding or their portfolio. In this case, the Prime Minister.

Mr. Bergeron: I stand corrected.

Unlike the Prime Minister, we always said we would abide by the decision of Quebecers.

Democracy is the very foundation of the sovereignist movement, which will be guided in the pursuit of its ideal by a respect for democratic values and principles, while abiding by the democratic decision made by the people of Quebec. Meanwhile, it behooves us to keep calm and pull together after this vote of historic importance, until our next rendezvous with history.

However, the extremely close results of the referendum should give the no side something to think about. The ball is now in the federalist court. They will have to move with those winds of change they claimed to feel, all of a sudden, during the latter part of the campaign when the yes side was ahead. But they must realize that after this referendum Quebecers will no longer be satisfied with merely cosmetic changes to outmoded and meaningless formulas or with vague and inconsistent administrative and legislative reforms.

The vote on October 30 clearly indicated the desire of Quebecers to be recognized for what they are, a people. To provide that recognition within the Canadian federal system, major constitutional changes will be necessary.

The question was, would the federal government be willing to make those changes and would it be supported by the provinces and the rest of Canada?

The howls of protest that went up in English Canada indicated it would probably never respond to the legitimate aspirations of Quebecers. As for the Prime Minister, considering his past record, he seems clearly incapable of keeping his promises.

Promises for change were hastily drafted by the federalist camp during the last days of the referendum campaign. These promises were not made in a flurry of enthusiasm; quite the contrary, they were motivated by fear that the yes side would win.

Last Monday, we saw the apotheosis of the panic operation that started during the last weeks of the referendum campaign. As soon as the Leader of the Opposition came on the scene to lead the yes side, the federalist forces realized there was a real possibility they would be defeated.

To prevent this from happening, the Prime Minister, in a last ditch effort, promised Quebecers that changes would be made in Canadian federalism if the no side won. It was the threat of defeat, nothing else, that forced the federal government to promise what it cannot deliver. That is obvious if we consider, in chronological order, the statements made by Prime Minister.

• (1620)

Given the speech made in early October in the Maritimes, in which he ridiculed the idea of enshrining Quebec's distinct nature in the Constitution, and given his stubborn opposition, until October 24, to any change in the federal structure, we can only conclude that the Prime Minister has an aversion to the issue of Quebec. In fact, the promises for change he made in the last week of the referendum campaign were vague, and no specific proposal was put forward at the time.

Remember what the Prime Minister said, on the evening of October 30: "For the second time in 15 years, we went through a difficult and emotional period. We must now contemplate innovative solutions, so as to never again go through such an existential crisis". Let us not forget that, even at the very end of the referendum campaign, the federal government did not have any concrete and innovative constitutional proposal to make to Quebecers. The government knew that it had to make some kind of an offer, but that was it.

The very narrow no side victory forced federalists to quickly make proposals to Quebec. The federal government hastily set up a cabinet committee to make such proposals. However, from the moment it was set up, it was clear that this was a phoney committee, with no real mandate and no real power. The same goes for the Quebec Liberal Party, which adopted a constitutional position, if you can call it that, only last weekend. Everything was done on the spur of the moment by people who are still unable to listen to and agree with the will of Quebecers.

The deafness of the federalist leaders became even more apparent on Monday, with the federal government's proposals. These proposals deal with three specific issues: manpower training, Quebec's distinct nature, and the granting of a regional veto. In the Prime Minister's mind, these proposals give con-

crete expression to commitments made during the referendum campaign. But what do these proposals really mean? Nothing, absolutely nothing, because they will be entirely dependent on the mood of the government in office, since none of the proposals will be enshrined in the Canadian Constitution.

At best, these proposals will become trivial motions that are not binding on anyone. This is what the Liberal government opposite is intending for the concept of a distinct society. At most, they will be tabled and passed in the House like ordinary legislation, which may be revoked at any time by this government or by some future government. This is where the government wants to relegate manpower training and the right of veto.

What is really apparent in the November 27 proposals is the irreconcilability of Quebec's traditional claims with English Canada's position. We can see, in reading Bill C–110, that never before has the granting of a veto been so devoid of value. Let us be honest, this veto, which is apparently being offered to Quebecers is simply on loan, so long as Quebec does what the federal government wants.

To illustrate this, we have only to look at the present position of our colleagues in the Reform Party on the veto for the regions and recognition of Quebec as a distinct society. Reformers clearly see Quebec as just another province and therefore will never accept the concept of a distinct society, even if it were to mean nothing—which in fact it does. Obviously, the same applies to the veto for the regions, which to them means giving a sovereignist government a veto over Canada's future, at least that is what they claim.

The Leader of the Reform Party has already indicated he would revoke the veto of Quebec, Ontario and the other regions in Canada if he ever came to power. In saying so he reveals ever so clearly, even before it is enacted, the ridiculousness of the Prime Minister's proposal. Given that the veto proposed for Quebec would be granted only through ordinary legislation, the Reform Party, once in power, could simply repeal or amend it.

• (1625)

Paradoxically, the mechanisms that are supposed to prevent amendments to the Canadian Constitution without the consent of Quebec could be dropped just like that. In fact, since the veto powers of Quebec and the other Canadian regions are not entrenched in the Canadian Constitution, it will always be possible for a political party like the Reform Party, for instance, to deprive Quebec of its veto.

The same applies to the distinct society resolution. Here again, a future Reform Party government would have no compunction about revoking this simple resolution, thus abolishing a meaningless concept.

The bill before us today illustrates the authoritarian and paternalistic approach of the Canadian government, which is refusing to safeguard the interests of Quebec. All this reminds me of an old trick people use to play. They would take a wallet that was ostensibly full of money and put it on the ground, attached to a fairly thin thread that would be practically invisible to the potential victim. Then they would squat behind a bush and wait. As soon as the victim saw the wallet he would try to pick it up, but every time, the other person would jerk the thread and pull the wallet away. This could go on for some time until there was no more thread left to pull or the victim realized what was going on or simply gave up. In fact, until the victim gave up chasing after something he would never be able to get.

This is like the Prime Minister's constitutional promises. This week it was obvious that he wanted to give the impression there was a nice package for us on the table while in fact, he has the proverbial thread which he can use to take the package back, if he wants to.

Furthermore, and this is an important point, Bill C–110 gives the federal government considerable latitude when it must define what constitutes the consent of a province. Of course, this was all planned by the federal government, because it wants to keep the latitude it needs to test the veto granted to a region. There are at least seven ways for a province to signify its consent or refusal to Ottawa.

It could be a resolution of the legislative assembly, an order in council, an order signed by a provincial minister, an order signed by a province's lieutenant–governor, a provincial referendum organized by a province, a federal referendum in one or several provinces, or a vote by the federal members of a given province.

It could easily be imagined that the federal government could hold a referendum in Quebec to get the province's agreement, sidestepping the government democratically elected by the people of Quebec.

On the other hand, the federal plan to give a veto to the regions is already meeting strong opposition on the part of some English provinces. For instance, Alberta is against this principle because it believes that all provinces are equal and, as such, it cannot accept not to have its own veto.

British Columbia is also opposed to the idea of a regional veto since, under the present formula, it does not have one. Moreover, Mr. Harcourt, the province's premier, believes that British Columbia should have its own veto since, in his opinion, it is a region in itself. We can see that this right of veto—as pointed out recently by columnists, observers, and Quebec political analysts—, and the vague and insipid principle of a distinct society are far less than what Quebec has always asked for. Some even say that there is a long way to go before meeting Quebec's historical demands.

• (1630)

I would even go so far as to say this is a real setback for Quebec. This is unacceptable. As soon as each region obtains a veto, and is therefore able to impact on the decisions of the federal government, this government is no longer in a position to entrench the principle of distinct society or the special veto for Quebec in the Constitution. The federal government will no longer be able to recognize these principles in the Canadian Constitution if the other regions obtain a veto on all federal actions and all constitutional amendments. The government therefore knows that it is guarding itself against any constitutional entrenchment of the very principles it is trying to sell us today.

At the individual level, on the subject of a veto for Quebec, there is evident dichotomy between public opinion in Quebec and in the rest of Canada.

A Gallup poll conducted November 8 to 13, where 1,005 persons were polled, showed that 66 per cent of Quebecers want Quebec to obtain a veto. On the other hand, only 10 p. 100 of the people polled in other provinces support that concept. In fact, 78 per cent of respondents in the prairies, 77 per cent in the Atlantic provinces, 70 per cent in British Columbia and 68 per cent in Ontario are opposed to it.

These data clearly show that, outside Quebec, the support for a Quebec veto is slight. This confirms that Quebec could easily lose its veto after a change of government at the federal level since any future federal government will certainly want to obtain the support of all Canadians and that will be at the expense of Quebec.

Finally, what can we say about this federal initiative launched in chaos and panic only a few weeks ago? As I have just said and explained, the Ottawa's proposals, meant to fulfil the promises the Prime Minister made to the Quebec people during the last referendum campaign, are nothing but smoke and mirrors. The truth is, we are facing a large scale camouflage operation whereby the federal government is trying, once again, to hide from the people the fact that it is unable to radically change the Canadian federal system.

Quebec has always had legitimate demands and aspirations within this system. But these demands and aspirations were never met. Realizing that, after the referendum on sovereignty, the demands would be higher than ever, the Canadian Prime Minister did not even try to find a solution to the problems plaguing the country he is heading. Instead he tried a bit of sleight of hand and gave us crumbs.

As I said, the Prime Minister is trying to put one over on us; he would have Quebecers believe that he is making a grand gesture towards Quebec, but what he does not say is that his grand gesture means absolutely nothing.

Not only is the Prime Minister's action totally meaningless, he is trying to make the population believe that he cannot do more in the area of pseudo–changes because the sovereignist government in Quebec would prevent him from going ahead with them in any case. For the federal government it is a way of blaming others for its problems.

The Prime Minister has taken great care to avoid saying that his proposal for amending the Canadian Constitution would meet with strong opposition, perhaps an even more so from some of the other Canadian provinces than from Quebec itself. Instead, he has blamed the sovereignist government, refusing to acknowledge—when the federal government is asking us to acknowledge the people's verdict—that the people of Quebec elected that government democratically and legitimately and—I would remind our colleagues opposite—they elected a majority of sovereignist members in this House as well.

Knowing that, how could we accept offers from the federal government that are so weak they are light years away from the Meech Lake accord and from Charlottetown proposals, which also meant nothing or next to nothing.

• (1635)

How could we accept something that is even less than what Robert Bourassa himself never accepted? How could we ever claim to have the moral and political authority to put ourselves in a position of extreme weakness relative to the rest of Canada?

No, the Bloc Quebecois, which I am part of, will never agree to such a window dressing operation by the Canadian federal government. We will not be the accomplices of the Prime Minister of Canada in this senseless approach. The Bloc Quebecois will therefore vote against this bill, because it means absolutely nothing for Quebec. It is a meaningless bill and, furthermore, it does not provide any guarantee for the future, any guarantee for Quebec.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I am very happy to see that the opposition is not necessarily ready to recognize the people's verdict of October 30, because the other day, as you know full well, members of the Liberal opposition in Quebec asked the Quebec government and its Premier to respect, and above all to recognize, that verdict.

I find it strange that the PQ government refuses to recognize the fact that Quebecers have chosen to remain within the Canadian federation.

Having said that, I still have a few questions for him. For Quebec, the motion as tabled, the resolution in question, is aimed at regaining a veto that was abandoned by the former PQ government, the 1981 government of which the hon. member for Mercier was a member. I find it strange that they do not want to regain this veto that the PQ government forsook in 1981.

We are talking about change, about sincere change. The other day, opposition members accused us federal Liberals of dragging our feet. They said that they were still waiting. That the referendum was over. We have now come up with a serious proposal, which is obviously a step in the right direction, but I must tell you that, while we are in favour of enshrining this veto, and especially Quebec's distinct society, in the Canadian Constitution, we are asking the provinces to invite the Canadian Parliament to entrench this concept, this Quebec reality, in the Canadian Constitution.

That is why we are asking the opposition to do the same thing, because the Leader of the Opposition, as we know full well, supported the concept of Quebec's distinct society not so long ago. Unfortunately, they are not ready to do so, and that is why we made a formal commitment not to enshrine anything in the Canadian Constitution without the support and consent of Quebecers, and above all of their National Assembly.

I urge the hon. member of the opposition to pressure his leader, who will likely become Premier of Quebec, into making a public commitment today in the House of Commons to tell Quebecers that he, too, will recognize Quebec as a distinct society and ask Parliament to ensure that this principle is entrenched in the Canadian Constitution.

Mr. Bergeron: Mr. Speaker, I thank the hon. member for Bonaventure—Îles-de-la-Madeleine for his comments more than for his questions, since there were few questions in his comments.

I would say that we, of course, recognized the decision made by Quebecers on October 30, as evidenced by the fact that we are still sitting as members of this House and taking part in proceedings. We as Quebecers are still paying our taxes to this government and complying with federal laws and regulations. We therefore respect the decision made by the people of Quebec.

I would remind my esteemed colleague from Bonaventure—Îles-de-la-Madeleine that Quebecers simply rejected a proposal from the Quebec government. Their no vote does not mean that they are willing to accept just anything. Despite the claims made by our friends across the way, the no vote is no indication of Quebecers' attachment to Canada.

• (1640)

They simply rejected a proposal. That is all. One thing is for certain: by voting no, Quebecers did not indicate that they would be happy with any symbolic trifle like what the government is now trying to sell us. Accepting this kind of trifle does not imply a recognition of the decision made by Quebecers. Rather, it is the government that does not abide by their decision by trying to pull the wool over their eyes.

As for that famous right of veto, the government continues to try to fool us, to have Quebecers believe that at one time they had such a veto, that they could have used it but that the then premier of Quebec gave it up. The fact is that the Quebec premier of the time did not give up anything. The Supreme Court, that august assembly of Canadian judges, ruled that Quebec never had any veto. Therefore, we could not give up something we never had.

The government wants us to believe that this bill will re-introduce this vague notion of veto power, which never really existed, as confirmed by the Supreme Court. In order to be valid, that power would have to be enshrined in the Constitution. However, this is not what is proposed in the bill, quite the contrary. The bill ensures that neither the concept of distinct society, nor Quebec's veto power will ever be entrenched in the Constitution since the other Canadian provinces, or regions as they are now called by the federal government, could use their own veto to oppose the entrenchment of these two basic concepts.

The member opposite should know that, traditionally, constitutional negotiations have always carried high expectations but invariably produced very little. Now, the government would have us believe that, for the first time in history, in spite of the current political situation, these meagre and minimalist proposals will ultimately turn into big and beautiful things for Quebec and the rest of Canada. It goes without saying that no one believes that except, of course, the hon. member for Bonaventure—Îles-de-la-Madeleine.

As for the concept of distinct society, the hon. member should know that Quebecers have reached the point where they will definitely not settle for anything less than their recognition as a nation. Quebec is a nation and wants to be recognized as such, and not merely by a vague and meaningless motion in this House.

As for accepting the results of the October 30 referendum, the hon. member should know that we could never—as indicated by the current leader of the opposition and future Quebec premier—accept less than Meech, which was rejected, and Charlottetown, which Quebecers rejected. What is being proposed now is not even close to Meech, and not even remotely close to Charlottetown.

[*English*]

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I shed a tear for truth. From time to time in the chamber truth comes under great strain and I think this is one of those times.

Earlier in his speech the hon. member for Verchères described himself and other separatists in the province of Quebec as victims. They live in Canada, one of the greatest countries in the world and he has the gall to say he is a victim. We have one of the greatest charters of rights and freedoms in the world and he says

he is a victim. He stands in the highest court in the land he spouts his separatism and his separatist complaints and he describes himself as a victim. Give me a break.

The member says that the ball is now in our court. Exactly and what is the Prime Minister doing? He made two specific promises in the referendum and he is acting on those promises right now.

The member says that Bill C–110 is a watered down approach. What was Meech Lake? Was it watered down? Was it acceptable to the separatists? No. What about Charlottetown? Was it watered down? Was it acceptable to the separatists in Quebec? I do not think so. Is there anything on the face of the earth that would be acceptable to the separatists in Quebec short of giving them a new country? The answer is no. He can answer the question, yes or no. If he wants to be honest he will say no.

• (1645)

[*Translation*]

Mr. Bergeron: Mr. Speaker, I thank the hon. member for Winnipeg St. James for his question.

First, the hon. member would certainly do well to reread my speech tomorrow in *Hansard*, for I never claimed that we were victims. Quebec has gone far beyond that in its historical development. Quebec is not a victim, it is simply a people.

I did say that the ball is now in the federalist court—I hope he is listening in the foyer—the ball is in the federalist court, but the federalists should not keep the ball to themselves.

That being said, I would like to get back to his statement that separatists, as he calls them, were in disagreement with the Meech Lake accord and with the Charlottetown accord. First, it has to be said that if he goes over the history of this again and if he tries to remember the events that led up to the Meech Lake accord, he will realize that there are people who are sovereignists today who, at the time, were in favour of Meech.

The Leader of the Opposition is a fitting example. He was in favour of the Meech Lake accord. The hon. Leader of the Opposition was in favour of Meech.

The Meech Lake accord, which represented the most minimal conditions Quebec had ever put forward, having been rejected, how could we, the sovereignists, accept less that Meech with the Charlottetown accord?

Of course, to answer the hon. member's question, all of the sovereignists were against Charlottetown.

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

The Acting Speaker (Mr. Kilger): Before I hear the hon. member on a point of order, I just want to say that the word "dignified" was used and I am very pleased to see how dignified this debate in the House of Commons is.

The hon. secretary of State on a point of order.

Mr. Gagliano: Mr. Speaker, I would like to ask, through the Chair, if there is unanimous consent to extend the sitting until 11 p.m. tonight, so that we can go on with this debate on Bill C–110.

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

Some hon. members: No.

NOTICE OF 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, it was not possible to reach an agreement pursuant to Standing Orders 78(1) and 78(2) with respect to the proceedings at second reading of Bill C–110, An Act respecting constitutional amendments.

Therefore, I give notice that, at the next sitting of the House, pursuant to Standing Order 78(3), I will be moving a time allocation motion for the purpose of allotting a specified number of days or hours for the consideration and disposal of proceedings at that stage.

[*English*]

CONSIDERATION OF SECOND READING

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the series of motions and the legislation before us today essentially come down to three items: the issue of the regional veto, the distinct society and attempts to further improve the economy of the country with more devolution and reorganization of economic activity between the provinces and the federal government.

This all must be considered in light of the fact that in approximately 18 months a meeting between the provinces and the federal government will be required to consider the 15th anniversary of the 1982 agreements with respect to amendment and that must be borne in mind at all times. As described by the Minister of Justice, this is a bridge to the meeting which will take place 18 months hence. Those who would like to have the motion, the resolution and the economic measures expanded to something greater should recognize that.

• (1650)

Some of the suggestions I have heard, particularly from the Reform Party, would take over a year to implement. There would have to be a full discussion, meetings and the whole long rigmarole which we remember from Charlottet own. It should be

understood that this is not a substitute for the 1997 meeting which will be held between the provinces and the federal government.

The distinct society definition is quite limited. The wording has been very carefully chosen. It is that the House recognize that Quebec is a distinct society within Canada and that the House recognize that Quebec's distinct society includes its French speaking majority, its unique culture and its civil law tradition. These are important parts of the Canadian reality which are generally understood and accepted across the country. Wherever one may be in Canada it is well known that there are these three elements of Quebec society which distinguish that society from the societies of all other provinces and territories.

It is also important to recognize that Canada is not a homogeneous country. It is a country of many variations: regional variations, variations in its population, where it came from, how settlement has developed and how attitudes have developed. It is that diversity which we celebrate so often and which makes Canada one of the more unique countries of the world. It is an important part of the Canadian reality. It was that long before 1867.

We have to remember that diversity means there are differing needs and differing aspirations in the different regions of the country. Historically, provincial differences have dictated the need for different approaches. The British North America Act and the changes which were implemented in 1982 with the Constitution have made it perfectly clear that we have historically recognized those differences. If we go back beyond 1841 we will find that the differences within Canada have always been recognized in constitutional documents. It is one of the reasons so much of the country has been able to flourish. It is the reason for which we are the envy of the world.

Acknowledging Quebec as a distinct society is part of something perfectly logical and natural. It is not something which is being forced on any part of the country. It is a recognition of differences of which we have all known since our first days as Canadians. It is part of the evolution of Canada to recognize that distinctiveness and to make the accommodations which the bill and the resolution put forward. It is also a recognition of the affection and considerable pride which Canadians have in Quebec, which we saw in the few days before the referendum vote.

I would like to speak about the veto. These changes have not come completely out of the blue. They have been discussed before. Veto provisions were discussed at the time of the Victoria charter in 1971. Vetoes have been discussed at many constitutional conferences, in the press and elsewhere. In no way is this some sudden imposition of a formula which has been devised. It is a responsible recognition that over that long period of time certain basic understandings of the nature of the country have become evident with respect to the Constitution and the veto, particularly with respect to the 1982 changes.

• (1655)

Again I would stress that the current formulae for changing the Constitution are in four categories. You have some changes which would require the federal government and all the provinces before there could be a change. Others affect only a single province and the federal or perhaps even single provinces themselves and their neighbour. In addition you have this category which is the seven provinces and 50 per cent of the population.

All that is being put forward is that the federal government is limiting itself by legislation in the manner in which it will exercise the federal veto. It is not a constitutional change and that should be recognized. It is not a question of embarking on some great adventure as has been attempted by previous governments with Meech and Charlottetown where there were many things incorporated as well as the issue of the veto.

I will turn to the veto with respect to western Canada and in particular with respect to British Columbia, my home province. At the present time for British Columbia to succeed it would have to impose a veto on constitutional change under the seven and fifty formula. It would have to have the support of three of the smaller provinces, so there would be four provinces opposing. In other words, the seven provinces requirement would not be met. Or else British Columbia would have to go in with one of the bigger provinces and thus, get 50 per cent of the population opposing.

The present proposal which does not change the Constitution is that if British Columbia opposed a constitutional change and it got one of the three western provinces to agree with it, then the federal government would not proceed with the constitutional change. Thus there is the so–called veto. The veto remains with the federal government but it would be exercised in that way. That is very important.

There is a substantial change proposed with respect to the powers of British Columbia on the veto. That is why I thought it appropriate that the headline in the newspaper pointed out that B.C. and Quebec were getting changes and the two provinces were listed side by side.

Second, when British Columbia gets to the position of having 50 per cent of the population of western Canada, then of course it will essentially have the veto of its own in the same manner as Quebec and Ontario.

At the present time British Columbia is about one–third the size of Ontario and about one–half the size of Quebec. In the not too distant future, because currently British Columbia has a about 44 per cent of the population of western Canada, it will reach 50 per cent; when, I do not know. All I know is that over the last 15 years British Columbia has dramatically expanded with an increase in population of something approaching 29 per cent. It is important to recognize that there has been substantial gains and this trajectory, this trend is likely to continue.

I turn to the point that this will somehow prevent future constitutional change because there will always be provinces which will oppose it. Obviously we will never get constitutional

change, for example, with respect to the Senate. I do not think we should sell future generations of Canadians so short. They will be capable of making intelligent decisions, just as we have been, just as our forefathers and mothers and all past generations have been.

Why do we have to suggest that they will be unable to handle the matter of constitutional change to take care of the differences that I spoke about at the outset of my speech in an acceptable manner? Obviously they will be able to do that and we should trust them to be able to do that.

Mr. Speaker, I am sharing my time with the hon. Minister of Indian Affairs and Northern Development.

This is a responsible package which will help hold us as a country together and allow that diversity and development and ability to continue to remain the world's leading country in the future.

We want a united Canada in British Columbia. We are willing to recognize that there have to be some trade–offs. Not everybody can get everything all the time. There has to be some recognition that to keep Canada going we cannot simply be a people who say no to everything.

• (1700)

When we have a whole country to govern there must be trade–offs. This country we are trying to govern happens to be the best country in the world. I think it is well worthwhile to make the trade–offs to keep it together and that is what this package is all about.

The Acting Speaker (Mr. Kilger): Before proceeding to the five minute question allocation to the hon. minister, 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 Jonquière, Committee chaired by Minister of Intergovernmental Affairs; the hon. member for Parry Sound—Muskoka, Confederation Life Insurance Company.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, according to the minister of National Revenue, the veto will improve the Canadian economy and, since Canada has a highly diversified make–up, this diversity will also help to improve the Canadian economy. He never mentioned that the most important aspect of this diversity is that Canada is made up of two nations. They never say this. He did not mention it.

He also said that Canada is the best country in the world, that we are the envy of the world. I find it strange to still hear that today when Canada has an 11 per cent unemployment rate and when there are more people on welfare in Quebec than at any other time in the history of our country. This is beginning to sound strange.

He also said that the veto will help to amend the Constitution. I find that strange and utterly unacceptable since the more vetoes there are, the less the chance we have to amend the Constitution. To me, what the government is proposing and what the minister is saying all boil down to the fact that these numerous vetoes will mean that it will be impossible to amend the Constitution. It is as simple as that. This a trap that the federal government is setting for the Quebec government because, with this veto, it will be impossible to amend the Constitution.

Would the minister please tell me how these vetoes will make it easier to amend the Constitution? As you know, it is quite the opposite. I would like him to prove that.

[*English*]

Mr. Anderson: Mr. Speaker, the first point made was that somehow the veto was linked to the economy. Let me put it this way. The economy will benefit dramatically from getting the wrangling of constitutional issues such as the referendum and separation out of the way. The economy will improve when we deal with these measures here in the House quickly and get back to the real agenda for all Canadians, whether they live in Quebec, Ontario, British Columbia or any other province. We must get the economy back in shape, get interest rates down and get the unemployed that the member's party has never linked before to the issue of constitutional development. Fortunately you now have and I think it is about time that you recognized the linkage between the—

The Acting Speaker (Mr. Kilger): I remind hon. members to make their interventions through the Chair. Sometimes it can be very helpful.

Mr. Anderson: Mr. Speaker, you will note that the hon. member for the first time is linking these constitutional issues with unemployment. It is about time the Bloc recognized that because it is very important.

The member goes on to say that there can be no change and vetoes will be there. Vetoes provinciate, he is right. Does he regret that we are giving or establishing a veto for Quebec so that the constant refrain that Quebec will be forced to accept changes from other parts of Canada will suddenly disappear as a complaint, a whine, a constant background noise that we hear from the Bloc Quebecois? Maybe that is the Bloc's concern. The issue is that if there are major changes the regions of the country, Quebec, Ontario, the maritimes, the west, or British Columbia do not want, then there is no point in proceeding with the changes because they are unacceptable to the overall.

• (1705)

Let us not get entirely hooked up on the issue of constitutional change. These are not constitutional measures. It is an example of the ingenuity of Canadians. It is an example of the ingenuity of the Prime Minister in overcoming problems without necessarily going back to the Constitution. If in the future people would like to see changes, administrative arrangements that would improve the system of government of Canada, I will bet that future generations of Canadians will be just as good as we are at arranging them outside as well as inside the Constitution.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, it is a privilege to stand here today to enter this debate. As Minister of Indian Affairs and Northern Development, I will start by repeating what the Prime Minister said yesterday vis–à–vis aboriginal people:

> As it concerns the aboriginal people of Canada, my government is clearly on record as respecting their aspirations. We recognize the unique legal position of aboriginal people, including the protection of aboriginal and treaty rights in the Canadian Constitution and the inherent right of self–government.

What does that mean? It means we must listen, and I address the separatists, when Grand Chief Matthew Coon–Come of the Cree says that ideological separatists will not treat them like cattle, moving them from one territory to the other. We must listen when the Inuit vote 95 per cent no and when the Crees vote 96.3 per cent no, and when the Montagnais vote 99 per cent no. We will listen.

The Prime Minister has proposed that Quebec be a distinct society. He has proposed that we will make no constitutional change that affects Quebec without consent and he has delivered. I want to be here when the leader of the Bloc stands up and does not support this because it tells me his agenda is simple separation. It tells me that when he looks out his window to look at the French fact in Canada, the only thing he sees is his own reflection.

Maybe I am losing it. I sit here day after day and see the hon. member for Bourassa who is from Chile. He is a political refugee who has come to this country. Oddly enough, this country Canada is an Iroquois name that means the village. Quebec is a Micmac name which means where the water overflows. The hon. member for Bourassa sits here and he debates and thinks in a British institution whether he should be called by a Mohawk name or an Iroquois name, while taxpayers pay his salary. If he thinks long enough and gets re–elected he will get a pension. Only in this country Canada would we be that tolerant. What a democracy, but that is a fact.

Oddly enough, 15 years ago I gave my maiden speech in the House. I was sitting over there. The maiden speech is a member's most important speech. You come with your life experience and you want to say what is important to you. My maiden speech was about the French Canadian fact in Canada, their contribution to the national character of the country. I had come off the CRTC where I sat with Rhéal Therrien, the vice–chairman then. He would say to me a country is not a piece of paper; it is a frame of mind.

It was so important to me to get my life experience on the record. As the member of Parliament for Sault Ste. Marie I spoke about the French Canadian fact in Canada. I spoke about the importance of biculturalism and multiculturalism. To that I would add the culture and the aspirations of the First Nations people of this country.

You see me every day fighting for aboriginal rights, but I fought just as hard for French Canadian rights because I come from a part of the country with 700,000 franco–Ontarians. You do not want to even seem to acknowledge that there are places—

The Acting Speaker (Mr. Kilger): Order.

Mr. Irwin: The Bloc does not want to even acknowledge that there are places like Dubreuilville, Chapleau, Timmins and Sudbury in Ontario where there are 700,000 francophones. What will happen to them? The Bloc does not care.

• (1710)

We have lived with these people for generations. They are our family. They are our neighbours. We share our schools with them. Bloc members do not care. I am convinced of that. They do not care about the Acadians. They do not care about the franco–Manitobans. They only care about their agenda.

Members of the Bloc talk about Cartier, Champlain and LaSalle. These are Canadian heroes and they are as important to my history as they are to any separatist. The Guy Lafleurs and the Cardinal Légers and the giant French Canadian community in industry and science and on the international stage. I remember them.

I remind the separatists that except for a few months, in 25 years, in a quarter of a century of leading this country, all of the Prime Ministers have been from Quebec. I remind the Bloc that we are the party of Laurier who cared about French Canadians in Quebec, who cared about French Canadians outside Quebec, who cared about Canada on the world stage. If Laurier were looking down today at the leader of the Bloc, he would weep.

I cannot say much more for the Reform members who thought Meech was too extensive. They opposed Charlottetown because it was too extensive. Today, I heard they cannot support this because it is a single page. I saw the way they voted on the aboriginal issues. I see how they treat the francophones here.

I was shocked when the Reform Party that wants us to sing "O Canada" in this House said that 50 per cent plus one on a faulty, fraudulent question divides and destroys this country. This generous, historical piece of property on this planet, and Reformers would destroy it with 50 per cent plus one. I used to find

the Reform interesting. I now think the Reform is dangerous if that is the philosophy its members are spreading across the country.

I do not know how I can convince the Bloc members. What they are destroying is the spirit of the French Canadians. These are the people who were at the foothills of the Rockies, who explored Hudson's Bay, who opened up the Mississippi.

I returned from Williams Lake, Alberta the day before yesterday. North of Williams Lake is the town of Quesnel, British Columbia. I just happened to be there. I remember this point from 15 years ago. Maybe it was part of the point I was going to speak on today. Who knows how the creator works. Fraser is the explorer who found the mighty Fraser. He got it named. He had a better publicist but those people, all nine of them, who paddled his canoe were French Canadians and the aboriginal people in that area showed him the way.

That is my Canada. That is my concept of who we are. It has been 15 years that I have been prepared to fight in my area of northern Ontario for the aspirations of francophone minorities until the very day I die. I am prepared to stay here and reaffirm my commitment.

When I vote on the resolution next week, I will not be doing it with timidity. I will not be doing it as the leader of the separatists say, because it is politically expedient. I will do it with pride because I believe it is important to my country.

There were 150,000 people who came to the Montreal rally. There were French Canadian federalists there. It is a misconception when we say that the people in Quebec are separatists. There are staunch French Canadian federalists in Quebec and they were at that rally, but we were there together. Why? To say that we love this country.

The leader of the separatist party mocks that love. He mocks it. He tries to destroy former Prime Minister Trudeau by mocking him. He tries every day by mockery to destroy our present Prime Minister. If Louis St. Laurent or Laurier were here today, the separatists would do the same thing. I see it every day. That is their agenda.

• (1715)

In my city of Sault Ste. Marie we had 2,000 steelworkers show up at an opening on a Friday or a Saturday. There were two days that went together. They took their hats off when we were singing the national anthem. It was amazing. I have never seen that. It was cold. The next day 1,000 people showed up in Sault Ste. Marie. They raised Canadians flags and Quebec flags. I looked down and saw young people there saying "We love you, we want you to stay". It was the first meeting for these little kids, and they looked at me and said "Do not destroy this country". That is my Canada.

The Haida people of B.C. have a creed. They say "We do not inherit this land from our ancestors, we borrow it from our children". That should be our creed.

My forefathers came from Italy and Ireland. They were very poor. From the Irish I learned that we have to pay something back. I am the fourth politician in my family. My grandfather Alfred was a councilor; my uncle Tom was a mayor; my uncle Fred was a councilor; I was a mayor. They said "You must pay something back".

From the Italian side, my grandmother, without even knowing the language, had to go from Rome by train, then by boat to Halifax all the way up to Sault Ste. Marie to meet my grandfather. She could not speak the language. She had eight kids. If she could be here and see today that her grandson is a member of Parliament she would be so proud. She taught me that this country is the best country in the world. It is.

I do not know if there is an afterlife. I hope there is. If there is, I am sure that Laurier, my grandmother, and my grandfather are up there saying "Go for it". That is what we should be doing.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I just want to comment briefly on what the Minister of Indian Affairs said.

First of all, there is something I do not understand although I have been here in Ottawa for a number of years. Why is the federal government using aboriginal peoples in many cases to discredit Quebecers? Perhaps he will admit it today, since only yesterday, his deputy minister admitted they would have to give aboriginal people in Quebec financial compensation for voting no.

I also remember that a few years ago, they used aboriginal people to file claims in New York to prevent the Great Whale project from going ahead.

It is rather amazing to see the minister stroking aboriginal people today and trying to tell Quebecers that he loves them and wants to promote economic and social development, when meanwhile, the same minister is using aboriginal people to prevent Quebec from developing its hydro potential, for instance. Those are a few examples.

Of course, it is not easy to prove all that, but anyone who is the least bit intelligent and has an interest in economic development and politics is aware of this, and Quebecers are very much so. Aboriginal people were consistently used to obstruct megaprojects in Quebec, probably to promote other sources of energy like uranium or western oil. This is atrocious.

If the Minister of Indian Affairs thinks we can trust him, he is wrong. We have seen too much evidence to the contrary, and Quebecers are not easily fooled.

He referred to the people in Sault Ste. Marie, and I agree with what he said and I want to thank them. I suppose they wanted to apologize for what they did two or three years ago, when they trampled Quebec's flag. I imagine he remembers that. Of course these people wanted to apologize, and I understand that and appreciate it. We remember very well what happened. It was on all the TV channels. The people of Sault Ste. Marie trampled the Quebec flag two or three years ago. Today, they want to apologize. We are pleased that they did, and we appreciate the gesture. But people should stop trying to fool us.

• (1720)

[*English*]

Mr. Irwin: Mr. Speaker, I would ask the hon. member to read my speeches and look at my record. I would not be here in the Prime Minister's cabinet if I in any way felt the way this member says I do.

Why are they worried about the separatists in Quebec? It is because you have a premier talking about "the ethnics". You have a vice–premier, and you know what he did. You have a member in the Quebec legislature who calls the aboriginal people gypsies. You have Max Gros–Louis, chief of the Hurons, who is saying the separatists are racist.

The separatists are living a lie. They say that Canada is divisible but not Quebec. That is a lie. There is such a thing as the 1898 line. There is such a thing as territorial integrity. There is such a thing as Cree territory, Mohawk territory, Abenakis territory, Micmac territory. Every time the separatists put that lie out, this minister is going to repeat what I said in Quebec at every house, at the UN and at Geneva.

The Acting Speaker (Mr. Kilger): Having passed the five hours of debate, we now go to the next stage of debate, which is ten minutes without questions or comments.

If I might ask the House for its co–operation, it is 5.23 p.m. and the hon. member for Calgary Southeast would be given a full ten minutes. I would not see the clock at 5.30 p.m. until three minutes past, so she would have her full ten minutes.

Some hon. members: Agreed.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I appreciate the consent of the House on that suggestion.

The last thing I heard last night before I went to sleep was Jason Moscovitz on "The National" talking about the dreariness of this debate and how we were again looking at the discussion that had come up during Meech and the Charlottetown accord. There was a dreariness in all of this discussion because the House was mostly empty, the galleries were devoid of people, and there was no one around with any passion or enthusiasm to talk about the matter of Canada.

When I woke up this morning I thought I wanted to capture some of that in what I have to say today because I think it is important we remember what brought us here. I thought I would like to direct my comments from where I sit. Where I sit in the House of Commons is a very special place for me, because I have watched for two years the House of Commons work together, pull together when we needed to and have debates that were reasoned.

Over time something has happened. Now we have this rancorous, bitter exchange across the floor of the House of Commons. I wondered about that as I reflected on the throne speech of January 1994. I recall what the leader of the official opposition said that day about his responsibility as an opposition party: "We intend to take these responsibilities seriously and we will do so loyally, correctly, and with due resolve. We know that is what Quebecers expect us to do, and they would never forgive us if we deviated from this path".

Although that was a very tough foreshadowing of this debate today, I believe that what the hon. Leader of the Opposition was saying that day was that he wanted to work within a democratic environment for the good of his constituents and for the rest of Canada. His vision was one we should never forget to respect, because his vision is his own vision, as the Prime Minister's vision is his vision and the leadership of our party carries our vision.

None of us respects that. We have forgotten that we should co–operate and that our professional lives are within these walls. The rhetoric we hurl across the floor has become meaningless. No wonder everyone feels so embittered.

On that day the Prime Minister said: "By working co–operatively to create economic opportunity, by restoring common sense to our public finances, by rebuilding a sense of integrity in government, and by pursuing a positive and innovative agenda for our society, my ministers are convinced that Canadian unity will be preserved and enhanced". Where have we come from that day to today, when we are talking about constitutional amendments, constitutional veto, distinct society? He made a promise to Canadians two years ago that it would not be that way in the House of Commons.

Our leader, prior to the election, said on October 12, 1993: "I personally believe that the Canadian people have the capacity and the desire to define not only what this election should be about, but what kind of Canada they want for themselves and for their children for the 21st century. In other words, I believe it is possible for a new vision of Canada itself to emerge from the bottom up if we begin to truly let the people speak their hearts and minds".

We came here as a different party with a different vision. We never were told that the difference was a good thing; we were always told it was bad. No one could define that difference in terms of a new idea, a new vision, a different way of looking at this country. We were always told we were bad. We were poor performers in the House of Commons. The press gallery said that our ideas were poor. How could a bunch of hayseeds or rednecks from the west ever have a good idea to put forward? It was our vision and it should have been respected in that context, but it never was. Part of the reason it never was is why we are here today debating constitutional matters and distinct society.

I ask all members to remember why we are here. Our constituents sent us here. We have forgotten about that representation. We are not simply preparing for an election in 1997; we are renewing and retooling Canada for 2050. That is something we absolutely must not lose sight of in this debate, that we are retooling our vision for this country for the next millennium, for our children and for their children. We are really leaving them with one hell of a mess. Excuse my language.

The issue of unity does not reside in a unity committee, a small committee with a small number of people who have small ideas. Those ideas are going to capture the hearts and minds of the country if they go out to the people. It is the people of the country who are going to make the difference. They are the ones who drive the engine and the heart of Canada. We can sit here and debate this issue until we are all white with exhaustion and fatigue and we can be embittered. But I believe we have a country worth working together for.

It must be that westerners understand there is an opportunity to become involved in a debate, but so too must Quebecers and easterners recognize there is an opportunity for us all to debate. It should be taken out of the House of Commons and placed into the hands of the people of Canada.

Eugene Forsey wrote in his memoirs: "I have faith that Canadians, both English-speaking and French-speaking—would be able to face the future united—'One equal temper of heroic hearts/—strong in will/ To strive, to seek, to find, and not to yield'". That is what we must do in the House. The bitter rhetoric we hear every day must give way at some point to argument that is reasoned, to ideas that are new, to a vision that will take us into the next millennium. My fear is that we are not moving in a direction whereby we are recognizing one another as colleagues and as Canadians.

The hon. member of the official opposition has become a very embittered politician. I have seen that over two years and from where I sit it is sad to see.

The Prime Minister, this man who had the hopes, hearts and tremendous support of Canadian people, has become shrivelled in his ideas, in his demeanour and in his approach to the country. We are back to this dreary Meech and Charlottetown debate.

I am not saying that the Reform Party has all the answers, but until we start talking together as Canadians even the best of visions will have no place to go but in its own entrenched little part of a balkanized country. It is my hope and prayer that will not happen.

I cannot support the bill because it would concentrate the power in the hands of governments and not of Canadians. I remember why I was put here by my electors in Calgary Southeast. It was to carry their hopes, their dreams and their visions for a Canada into the third millennium.

The Acting Speaker (Mr. Kilger): 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*]

PROTECTION OF PERSONAL INFORMATION OBTAINED BY CERTAIN CORPORATIONS ACT

The House resumed from October 26 consideration of the motion that Bill C-315, an act to complement the present laws of Canada that protect the privacy of individuals with respect to personal information about themselves obtained by certain corporations, be read the second time and referred to a committee.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, it is a pleasure to speak in the House tonight on an issue of grave importance, the protection of personal information. I am pleased to participate in the debate on Bill C-315, an act that will help to protect the privacy of Canadians. Since Bill C-315 was last in the House much has happened on the issue. Several groups have called for federal government action to protect the personal information of Canadians.

First, the Canadian Standards Association has expanded on its voluntary privacy codes and its desire for implementation of those codes.

Second, the Public Interest Advocacy Centre based in Ottawa released a document entitled "Surveying Boundaries: Canadians and their Personal Information".

Third, the Information Advisory Council established by the Minister of Industry continues to push for recognition of its privacy recommendations.

The protection of personal information is a serious concern for all Canadians. If we do not begin to address the unauthorized collection and exchange of personal information about unsuspecting Canadians now, we may not be able to stop it at all in the future.

Bill C-315 gives us the opportunity to counter the invasion of personal privacy before it gets out of control. New technology

and universal access to the Internet have accelerated the problem and immediate government action is critical.

I quote from *The Economist*:

> Individually, most new technologies are introduced for perfectly benign motives. Their cumulative effect, however, is to cast a shadow over personal privacy. Is it really acceptable for most of your actions, even the most mundane, to be recorded and then sold to the highest bidder? Most people take their privacy for granted but are outraged when it is breached.

The growth of computer technology makes tasks easier for Canadians, but at what cost? I am very concerned that Canadians have their privacy compromised every day without their knowledge. Companies routinely collect information about them every time they use a credit card, buy something over the phone or subscribe to a magazine.

An Industry Canada paper released in October 1994 stated:

> While each technology brings different capabilities, they all contribute to a completely unprecedented capacity for the surveillance of every man, woman and child, whether as a customer, student, employee, patient, taxpayer, or recipient of government services. It is this growing trend for information systems to place limits on our freedom, on our life's potential, that privacy advocates and science fiction writers alike find utterly chilling.

• (1735)

What will Bill C–315 do? It tries to curb the collection and exchange of personal information. This could include names and phone numbers, business addresses and phone numbers, any identifiable physical characteristic, religion, national or ethnic origin, age or other information about education or financial history. The information is recorded in many ways: electronically such as on a floppy or hard disk, manually on paper or microfilm, or virtually such as in computer memory or an electronic network.

Bill C–315 would require all companies covered by the Canada Labour Code to abide by some very strict privacy protection guidelines. Before selling any list containing an individual's personal information, the person would be sent a notice that, first, personal information about the individual as listed in the notice is held by the company; second, permission is needed to keep the person's name on the list; and, third, the person shall be told his or her name can be removed at any time at no cost.

In addition, any corporation using a purchased list shall send to everyone on the list a notice containing the source of the information, a description of the information held and a statement outlining how individuals can have their information removed. Companies receiving a removal request must comply within 10 days and confirm with the individuals that their requests have been acted on.

Non–compliance will result in a summary conviction. For a first offence a company or individual would face a fine of up to $5,000. A repeat offence could double the maximum fine to $10,000. Charges would have to be laid within one year of the offence.

The member for Cariboo—Chilcotin who introduced the bill would be amenable to increasing the sentences if the industry committee studying the bill believed that they are too weak. It might also look at strengthening the bill to prevent the rental of information lists.

In September the Canadian Standards Association released a set of privacy codes after wide consultation with several agencies and associations. It sought to develop its code at a time when there was growing debate about the range of innovative approaches to the protection of personal data on the information highway.

There is one big problem with the code. Adherence is strictly voluntary. While the code may be good, it is merely a band–aid solution and has no teeth to protect consumers from greedy companies with no regard for their personal privacy. By the association's own admission none of the codes has any explicit statutory force in contrast with the privacy codes developed under the mandate of legislation and the oversight of a data protection agency.

In addition, the association also admits that ultimately the success of the CSA model code will depend on the various incentives that might operate to encourage registration. Several are noted and discussed: moral suasion, the desire to avoid adverse publicity and the use of the privacy standard for competitive advantage.

Is this realistic? Companies that profit from a $300 million a year industry will hardly be overcome with moral suasion or a concern about adverse publicity. While the CSA code may convince some organizations to operate more responsibly, most organizations will only use it when it is convenient for them or if they must comply.

The CSA notes that in New Zealand and the Netherlands where privacy codes have been complemented by statutory regulation, there is more effective protection of their citizens. In Canada combining the CSA's code with the legislative teeth of Bill C–315 will provide consumers with real privacy protection.

The Public Interest Advocacy Centre is a non–profit group that is also focused on the protection of personal information. In a recent paper it investigated whether there is a problem. It found that 76 per cent of Canadians believe they have less control over their personal information than they did 10 years ago; 95 per cent of Canadians want to be informed about collection processes and about the uses to which their personal information may be put; 94 per cent insist permission be sought

and given before any information is passed on to another organization; and 86 per cent want to understand how new technology can affect their personal privacy. It is clear from the research done by the organization that Canadians are very concerned about their privacy.

• (1740)

Bill C–315 would establish statutory protection without the requirement for any new taxes. It is the missing link advocates are calling for. The member for Cariboo—Chilcotin has assured me he would support changes the industry committee might suggest when it examines the bill. We must act soon. Every day we dawdle, more personal information about private citizens will be collected and sold.

I conclude with a quote from a book called "A Consumer's Survival Guide to a Cashless World":

> As consumers we often feel powerless to change the status quo, but public pressure can succeed when enough people get excited about practices they feel to be wrong or unfair. The only way it will change is for us as consumers and citizens to demand fuller disclosure, stronger privacy protections and better security procedures.

We can wait no longer. Consumers and citizens want and need to see changes to the rules that protect personal information. Bill C–315 is an answer to a concern that each and every member of Parliament shares with his or her constituents. I urge the House to support the bill so we can begin to protect the personal privacy of all Canadians.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, when Bill C–315 was first debated in the House in the month of October I must say I was impressed with the information the hon. member brought to us in support of the proposed bill. I understand the original complaint brought to the hon. member for Cariboo—Chilcotin was from an individual who found himself on the mailing list for pornographic materials and was unable to stop the material from arriving. While this may not be the most damaging type of abuse of personal information, many Canadians would agree it is one of the most annoying and can leave people feeling helpless and frustrated.

The bill the hon. member has put forward, however, would do nothing to stop this kind of privacy invasion. While I share the concerns expressed by the Reform Party about this kind of abuse, if Parliament is to intervene with new legislation, we had better be sure we are doing something which actually fixes the problem.

Here are some of the flaws in Bill C–315. First, it would apply only to corporations. Many operators who do this kind of thing are individuals or small partnerships and would not be covered by the legislation.

Second, it applies only to the narrow range of corporations engaging in a federally regulated activity. This would include those in the banking, telecommunications and broadcast industries but not small entrepreneurs.

Third, it does nothing to solve the problem of operators setting up outside our jurisdiction, such as across the U.S. border.

Fourth, it addresses only the issue of people's names appearing on lists or nominative lists, as the practice is referred to in the Quebec privacy legislation that covers the private sector.

Technologies are changing and developing quickly these days. Information is being collected and messaged in new and different ways. It may soon be out of date to talk about lists because information travels easily and is gathered automatically. It is no longer necessary to hand someone a computer tape to trade information.

In addressing the protection of personal privacy we ought to talk about the use of personal information in the broadest possible ways. The rules we come up with should address every sector of the economy, not only the direct marketing industry.

Instead of working on the bill we should support the work that has been ongoing for several years at the Canadian Standards Association, the CSA. The consensus committee passed a model privacy code in September of this year, the result of three years of work in a committee with representation of industry, consumers and federal and provincial governments.

This code of fair information practices is soon to be published as a national standard for Canada. This initiative has the support of a broad range of private sector organizations including the Canadian Direct Marketing Association.

• (1745)

On October 3 of this year the president of the Canadian Direct Marketing Association called on the Minister of Industry to introduce legislation in the House that would use the CSA standard as the basis for legislation federally and to encourage the provinces of Canada to do the same in their jurisdictions.

I understand that the issue is being studied by the departments of industry and justice with a view to developing solutions that will work for the protection of personal information in all sectors of the economy and across the country. This is a huge and complex issue because the increasing availability and use of personal information and consumer profiles to target service delivery affects virtually every sector of the economy in some way or the other.

The protection of personal privacy was identified as a key priority early in 1994 when my colleague, the Minister of Industry, established the Information Highway Advisory Council to advise him how to make the most of the new possibilities brought to us by the communication networks. The council

studied the issue, consulted experts and produced a number of recommendations on privacy.

First, the federal government should act to ensure privacy protection on the information highway. This protection shall embody all principles of fair information practices contained in the Canadian Standards Association draft model code for the protection of personal information. To this end, the federal government should continue to participate in the development and implementation of effective national voluntary standards based on this model code.

Second, the federal government must take leadership in the implementation of these principles through the following actions: in co–operation with other levels of government that share responsibility for various sectors of activity on the information highway, it should establish a federal–provincial–territorial working group to implement the privacy principles in all jurisdictions.

It should create a level playing field for the protection of personal information on the information highway by developing and implementing a flexible legislative framework for both public and private sectors. Legislation would require sectors or organizations to meet the standard of the CSA model code, while allowing the flexibility to determine how they will refine their own codes.

In co–operation with the CSA working group on privacy, and other interested parties, it should study the development of effective oversight and enforcement mechanisms; establish a working group to co–ordinate the development, demonstration and application of privacy enhancing technologies for the provision of government services and information; update and harmonize appropriate privacy protection policies, legislation and guidelines applicable to its own operations and to the delivery of government services and information.

Third, Industry Canada should establish a working group that includes representation from the private, provincial and federal governments and consumer organizations for the purpose of increasing public awareness and understanding about privacy issues and personal privacy rights through the preparation and dissemination of educational materials and encourage the CSA to advance its privacy standard in international standards fora.

There are several other recommendations on encryption, educational and health records but I will not take up more time to read them. As members can plainly see, this is already a tall order that the advisory council for the information highway has presented to my colleague, the hon. Minister of Industry. I know the Department of Industry is engaged in discussions with other departments involved in the privacy issue, notably the Department of Justice.

This is a complex issue. Serious work has already been undertaken by the government to address the problem. I believe we should wait until the Minister of Industry has studied the recommendations and can report to us on progress.

Finally, we need more protection for personal information than is offered by Bill C–315. I say we should get on with the work and not take a detour down this path.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I am happy to participate in this debate on the bill tabled in this House by our colleague, the hon. member for Cariboo—Chilcotin, which is aimed at protecting the privacy of individuals with respect to personal information about themselves obtained from certain corporations.

• (1750)

This is a very important issue in the world in which we live, an issue that, too often, is not taken seriously but that has major consequences in people's lives.

It is no secret that just about any personal information is now available for all kinds of purposes to almost any individual or corporation wishing to obtain this information. In the business world for example, everyone knows that our personal credit records can be put under the microscope by all kinds of institutions interested in digging into our past. Everyone also knows that, more often than not, information on our lifestyles and consumption patterns falls into the hands of all kinds of individuals and corporations whose goals may be questionable, without most governments being concerned about it.

In this regard, I say right off the bat that although the bill tabled by our Reform colleague does not, as the hon. member for Winnipeg St. James just pointed out, meet all our expectations with respect to this problem, it places it in the public domain and urges the federal government, which so far has been negligent in this area, to examine the problem and, hopefully, come up with more restrictive legislation in the near future.

What I also like about our Reform colleague's initiative is that he refers to the Quebec legislation. In introducing his bill, he referred to the fact that, in 1994, Quebec enacted legislation to protect personal information not only from public institutions but also from private enterprise. This legislation was Bill 68, which, as I mentioned, was enacted in 1994.

I said earlier that Bill C–315 is quite commendable as far as its goals are concerned, but that it has flaws, which should be pointed out. First of all, the bill refers to the sale of information. Any federally registered company wishing to sell information on a group of individuals would have to notify each of these individuals of its intention and of the personal information in its possession, and to obtain his or her consent. Never can we in

any way prevent companies from providing information or exchanging lists, provided the lists are not actually sold.

So, there is some kind of a loophole there that should be looked at and plugged if at all possible. There is also, as I said earlier, the requirement to send a notice concerning the sale of any list of individuals. But, even if this bill is passed, nothing will stop companies from selling information on one individual at a time.

• (1755)

These two examples show that there are deficiencies in the bill put forward by our friend from the Reform Party, deficiencies that must not be overlooked. As the hon. member from the Liberal Party suggested earlier, perhaps in a future bill we can take all of this into account and come up with ways to prevent this kind of problems.

Another point I wanted to raise is the small fines for non–compliance. The bill provides for fines of $5,000 to $10,000. I was listening to the hon. member from the Reform Party who spoke before me talk about the huge profits generated by the sale of this kind of information. It stands to reason that imposing such small fines is not likely to discourage companies from breaking the law. We should therefore make sure that fines are much larger, stiffer.

Another deficiency of this bill concerns the type of personal information covered by the act. A full list, a rather long list in fact, can be found in clause 2 of the bill. Again, it is not quite complete.

The problem in making a list is that you can forget to include major elements. I would like to point out that there is no mention, in this list, of political affiliation. I gather that this information is not considered personal in nature. Criminal record, work experience, place of birth, sexual orientation and mother tongue are not included or listed either in clause 2 of the bill, while I would think this information as strictly personal information that needs to be protected under a bill like this one.

To conclude, as I said at the outset, although the bill contains major deficiencies, it at least has the merit of being a first. It is a step in the right direction, as the first piece of legislation introduced by the federal government to protect personal information.

This debate is also an opportunity to alert the public to the real danger of not having legislation on the subject. In a way, as limited as its scope may be, it is difficult not to support this bill.

I would like to point out, since our colleague from the Reform Party referred to the Quebec legislation, that the latter is much more meaningful and precise. I would hope that when this act, if passed of course, is amended in the future, we should be able to refer to the Quebec legislation to ensure that personal information is better protected.

This goes to show, once again, if you do not mind my saying so without a trace of parochial spirit, that in many areas like this one, Quebec's know–how can easily be exported. People are welcome to refer to our legislation; they will not be disappointed.

I will close on this, just adding that the Bloc Quebecois supports the bill put forward by our colleague from the Reform Party.

• (1800)

[*English*]

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, while I agree with the spirit of Bill C–315, I am not in a position to support its content, which I find narrow and burdensome, particularly in consideration of the much broader and flexible measures presently being looked at.

Bill C–315 has a narrow focus when broad based measures are needed to ensure the level playing field for industry while protecting the privacy of Canadians. With advances in information and telecommunication technologies, the privacy of consumers is at risk, but this bill does not provide the type of broad based protection which is necessary.

As part of a global economy, we can expect that cross–border consumer transactions will increase and with them a related growth in direct to home sales of the type which make regular use of mailing lists in order to gain access into the homes of Canadians.

Mailing lists, when combined with other transaction related databases such as credit ratings and financial accounts, can be assembled into profiles of individuals. These records can cross national borders, be exchanged, resold, reused or integrated with other databases, often without consent or remuneration, for purposes unrelated to those for which the data were originally collected.

Consumers are frustrated and angry when subjected to perceived intrusions by commercial interests into their personal domain. Personal information privacy is an issue of considerable importance to Canadians as has been revealed by numerous surveys in recent years.

Bill C–315 has a very narrow focus. It applies only to the sale of lists containing personal information when in reality the normal business practice is the rental of such lists. The bill focuses narrowly on lists when in fact a vast amount of personal data can be blended and put together from the type of consumer transactional data currently exchanged between firms or within large organizations.

The bill applies only to federal corporations, while mailing lists and other information is often transferred between provincial corporations, individual proprietorships and partnerships.

If passed, the result would not be a level playing field of clear and consistent privacy rules applying to all sectors, but rather a patchwork quilt of uneven privacy obligations from sector to sector, firm to firm and jurisdiction to jurisdiction.

Other initiatives currently under way might provide a better approach. We are currently studying these options. Most notable is the Canadian Standards Association model privacy code. The CSA code sets out 10 principles governing how personal information should be collected, retained, kept up to date, used and disclosed by the private sector.

Adoption of the code by firms using mailing lists would tend to ensure that consumers are informed of the existence of such lists, given the opportunity to consent to their use and verify their accuracy.

The CSA code is voluntary, but I propose and support that it become the basis for flexible framework legislation. The Canadian Direct Marketing Association, the Information Highway Advisory Council and Canada's privacy commissioner all agree. The CSA model privacy code represents a potential basis for the development of flexible national standards.

I agree with the spirit of Bill C–315 and applaud the efforts of the hon. member in this regard. However, I am not in a position to support its contents as I find it too narrow, particularly in consideration of the much broader, flexible and less costly measures available to us.

I will continue to work to convince the government to introduce broad based and enforceable privacy protection for Canadians' personal and financial information in the marketplace. I feel that such legislation is important to my constituents. It is important to all Canadians. The legislation that we can accept must be enforceable, must have teeth and must apply to institutions like banks. It must also consider new technology like the Internet.

This bill is too narrow and does not create a comprehensive framework to deal with the real privacy concerns of all Canadians. I commend the hon. member for his efforts but I fear his bill does not go far enough.

• (1805)

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am pleased to speak on this bill. I must start off by saying that I applaud this initiative on the part of my colleague and can see the good intentions behind it. I do, however, also believe, having seen the criticisms of it, that it contains certain weaknesses which I would like to point out. At the same time, I would like to review the entire matter, propose some potential solutions, and point out why it will be very difficult to proceed with such a bill.

As I have said, this is a well intentioned bill but one with a number of weaknesses which have already been described by a number of my party colleagues and by at least one member of the opposition.

[*English*]

If we were to send the bill to committee and try to correct it we might lose some significant time trying to redirect an approach which some people would believe is too narrow to address all of the concerns Canadians continue to express about the protection of their privacy. That is not for me to decide by myself. Let me share with the House why.

Every time we open a newspaper we see another story about the abuse of personal information with the potential that new technology has to invade our privacy and provide surveillance of our every movement. Even the chairman of Microsoft, Bill Gates, in an article which appeared in the Ottawa *Sun* on September 20 of this year pointed out the need for government action and indeed legislation to protect privacy in the face of new technologies which he would be well placed to understand.

He used the example of software programs which would replace human travel agents and track customers' tastes and preferences to give the best possible service.

He states in the last two paragraphs of that article: The marketplace may be able to resolve some of these issues. For example, customers may learn to avoid travel agencies that don't share personal profiles, or that share them too freely.

"But the marketplace will not resolve every privacy issue. Neither will technology. What is needed is a great deal of unrushed debate, leading to intelligent public policies".

I doubt that these new automated travel agents would be covered by Bill C–315 and we need to consider how serious a problem this might be.

I applaud the hon. member for bringing the issue of privacy protection to the attention of Parliament. I believe that he has done what he ought to do. I believe that we could follow Mr. Gates' advice and start a process of unrushed debate leading to intelligent, profound public discussion on a policy that will meet the needs of today's society, not necessarily by accepting this bill and fixing it but by building on the work that has been done in Canada where we have among other initiatives the first data protection legislation in North America to cover the private sector. I refer to Bill 68 in the province of Quebec.

We need a far more comprehensive approach to these problems. The government has been doing the groundwork necessary to provide greater privacy protection. I would like to talk a bit

about this work and about a better way perhaps to address the hon. member's concerns.

My first point is that the Canadian Standards Association model privacy code provides a basis for a broad based approach to privacy protection.

The Information Highway Advisory Council has recommended to the government that it bring in flexible framework legislation based on this code and that it work with the provinces to find a way to get a standard of fair information practices incorporated in the areas where it does not have jurisdiction.

On October 3 the Canadian Direct Marketing Association echoed this, calling on my colleague, the Minister of Industry, as minister responsible for consumer affairs, to table framework privacy legislation in the House of Commons. The CDMA has been a key player in the development of this national standard for the protection of privacy under the aegis of the Canadian Standards Association. I applaud not only its efforts in helping to develop this code but the leadership that it has shown in recognizing the merits of the legislation.

The House will recognize that it is not often that industry calls for more legislation. I think this action underlines the importance of privacy in the minds of consumers and the need for us to look at it carefully in all of its aspects. In particular, we must respect both the rights of the citizen and the information needs of industry when we think of legislation.

• (1810)

There are legitimate needs for personal information gathering in each sector. Banks need to gather information to assess credit risk, medical researchers need to conduct long term health studies to determine the effects of drugs, environmental concerns and health practices. Direct marketers do not want to send special offers for lawn mowers to folks who live in apartment buildings. Market research helps us as a society to tailor product innovations to the needs of consumers. These are good uses of personal information and we do not want to shut down the use of personal information.

Bill C–315 could shut down federally incorporated businesses doing direct marketing through the use of lists because while the bill speaks of obtaining the consent of each consumer, which sounds to be a reasonable enough option, the administrative burden and liability involved in this process would cause businesses to drop the activity altogether in a number of cases.

This may or may not be the goal of the hon. member but I believe both consumers and Canadian business deserve a more careful approach to the problem and one in which they can actually participate.

The Information Highway Advisory Council made a number of other recommendations concerning the protection of personal information, including the use of technologies which protect privacy. It called for the banning of scanning devices which monitor cellular transmissions. It called on the federal government to form a federal–provincial–territorial working group to start a dialogue about some of these important issues and work together for harmonized solutions. It called for the CSA to continue its work and for the consensus group which crafted the model privacy code to work together to develop meaningful oversight.

These are all thoughtful suggestions from a group of experts who took the time to study the issue in some significant depth. I believe that we should wait for the government response to these recommendations before we jump the gun and attempt to start legislating privacy protection.

I would like to share with the House a letter given to me which I think speaks to the issue:

> Please share the following message with government MPs who will be speaking today on Bill C–315.
>
> Members of the Canadian Direct Marketing Association agree that a legislated comprehensive set of privacy principles is needed to guide business in their activities to respect the rights of the individual. There is an excellent model to accomplish this in the 10 principles of the new code for the protection of personal information of the Canadian Standards Association.
>
> The current bill before Parliament, Bill C–315, while formatted with the best of intentions, is so fundamentally flawed that it cannot be saved by any amendments. The bill would not accomplish the fundamental purpose of protecting personal privacy; would seriously limit an individuals' freedom of choice and would be an unnecessary and destructive interference in the marketplace.
>
> CDMA is very concerned that if this bill is allowed to proceed to committee, the consensus among business, consumer groups and government which produced the CSA code after two years of hard work and compromise, will entirely collapse.

It is signed John Gustavson, president and chief executive officer.

It is up to the members now to decide how to proceed.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I appreciate the opportunity to speak to Bill C–315. I should begin my complimenting the hon. member for having put the bill before the House. I believe that its intent is good and that the idea of trying to protect consumers and ensure that the personal information we supply as individuals to corporations and other entities is not just used willy–nilly in whatever fashion somebody other than an individual may decide.

• (1815)

It no doubt is disconcerting for consumers to go to large institutions and buy a product or get a service of some sort and all of a sudden appearing in their mailboxes the next month, and oftentimes for the next decade, are solicitations of one sort or

another. Obviously consumers are not anxious to see that happen. They are not anxious to have that practice continue to the extent it obviously is. In that respect, I want to compliment the hon. member for putting together a private member's bill to deal with that.

The bill and the process of correcting the problem needs to go beyond the recommendations that are in front of us here today. We need to continue a process that has already been undertaken by the government. There is a consultative process that many of my colleagues have talked about previously in the House, where the industry department is working on this issue and in coming up with the solution is trying to be as comprehensive as possible to deal with this problem in a way that finds a good workable solution and finds a solution in a way that is not going to by itself create a burden for the consumer, is not going to create new government bureaucracy, is not going to result in a situation where adherence to the new rules will be so expensive that invariably and inevitably that kind of increased expense would be passed on to the consumer.

In reviewing the bill, there are a couple of places where I think we need to step back and ensure the problem is dealt with more comprehensively. As has been mentioned by a number of government speakers previously, one of the concerns with the bill in the format it is being presented to the House is that the definition of personal information is too narrow. We want to make sure that when we address the issue of privacy and confidentiality we do it in as broad a manner as possible and capture as many of the situations that are occurring out there as possible. We do not want to deal with this piecemeal, where we deal with one aspect of the problem and then have to come back and deal with others. We want to make sure that the definition of personal information is indeed as broad as possible.

We also want to make sure that in solving the problem we do not create a new problem. I know the hon. members of the third party would agree with me that the last thing we want to do is create a new regulatory regime, a new regulatory infrastructure that places an enormous burden on businesses. The way this bill is drawn up and the amount of consultation and notification that would have to take place when we are trying to delete specific information would create an enormous burden for individual businesses. There is probably a more efficient way to do it, a way that would not create quite as much of a workload and create such additional burdens on the private sector.

In coming up with the solution for the problem in this bill, it is going to call for a whole new amount of direct mailing as you ask for permission from the consumer to use their particular name. If the list is being sold then people have to write to the consumer and ask for their permission and then they have to write back. That seems like a very difficult and cumbersome type of situation.

There is a concern about capturing a very narrow portion of the market, those corporations that are federally incorporated. Obviously there are a lot of other entities that exchange and use information, right from an individual through partnerships, provincially incorporated entities.

• (1820)

It is important we ensure we have as broad a scope as possible in the bill. As I mentioned earlier, we have to ensure we address as vast a range as possible of consumer privacy concerns. I really believe we have to deal with this problem in as comprehensive a manner as we possibly can, making sure all of the issue is dealt with.

As I said in my opening remarks, obviously the intent of the bill, the desire to ensure consumer protection, is excellent. It is one the constituents in my riding of Parry Sound—Muskoka and I am sure all Canadians want to have addressed. They are genuinely concerned, particularly in these days of computerization. Information can be transferred electronically and in great amounts from one institution to another. They are concerned in that kind of environment that their privacy be protected.

As the hon. member who introduced the bill knows, it is important that the consumer receive protection in this respect. That is why I believe it is important to broaden this initiative. When we address the problem we must ensure that we address it in the fullest possible way. When we have done our work we must ensure we have covered as much ground as possible in order to protect the greatest number of consumers we possibly can.

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, as we consider Bill C–315 we should review what the government is doing in this area.

Industry Canada and the Department of Justice are working on a comprehensive approach to privacy protection to respond to the recommendations of the information highway advisory council. For this reason, I do not want to support Bill C–315. I would rather wait until the Minister of Industry tables his response to the information highway advisory council.

Both that council and the Canadian Direct Marketing Association have called for comprehensive legislation based on the Canadian Standards Association's model privacy code. It seems to be more advisable to start from this consensual base and start the work that needs to be done to get broad–based support in the full community for action in this area.

I understand that the ministries of industry and justice are examining the recommendations I just mentioned. They are trying to come up with a broad based approach to the issue that both consumers and business would prefer. Any such approach would encompass existing voluntary efforts and the many excellent codes business has already put in place in a voluntary fashion. We should take the time to allow this process to unfold

and not start working on quick fixes to one problem after another.

This is not to underestimate the work of my hon. colleague who brought forward the legislation, but rather to pull the threads together of work that is being done in many areas of government on this issue. For example, my colleague, the hon. member for Nickel Belt, has also called for a national privacy law, building on the work of the Canadian Standards Association. He has also called for a working group to be struck to work on the drafting of such legislation, ensuring that it is enforceable and that there is an independent body for oversight. I commend his interest in this issue and I would suggest that we build on the work that is already going on in government.

• (1825)

Bill C–315 would require that an organization notify each individual on a mailing list each time that list is sold to another organization and ensure that the individual's consent has been received. In addition, it requires that the organization selling the list also notify that same individual that his or her name has been obtained. The legislation deals only with the sale of mailing lists.

Organizations would have 10 days to comply with requests from individuals to have their names or certain elements of information removed from the list. Fines for repeated offences could reach $20,000.

This legislation would affect the marketplace narrowly, in that it focuses only on personal information linked to mailing lists. It does not provide protection for personal information involving the vast majority of marketplace transactions.

The role of the federal government could be open to constitutional challenge, in that the regulation of personal information provided as part of a contract could be interpreted as a provincial responsibility. Quebec has already made such a claim in establishing privacy legislation applicable to all personal information gathered as a result of marketplace transactions.

A government infrastructure would be required to enforce the legislation. The sheer number of names contained in mailing lists suggests that there would be numerous complaints to be handled by the federal government. The resulting bureaucracy could be very costly.

Some have said this legislation is too narrowly focused to provide adequate protection of personal information. Lists are more commonly rented than sold today, and the legislation fails to address rentals. The legislation would be costly to enforce and cannot deal with nominative lists originating with organizations based outside of Canada.

A recommendation from the information highway advisory council on establishing framework privacy legislation is currently under consideration.

I know the minister does not support the passage of the bill at this stage, as he is hoping for a broader response to this very current issue that affects consumers. As a result, I am not going to be supporting this bill, although I would like to thank the hon. member for bringing this important issue forward to the front burner of our national agenda. I believe we should ask the Minister of Industry to report back to the House on the work that is in progress rather than cut short his efforts and those of the justice minister by starting fresh work in a new and more limited direction.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Ms. Catterall: Mr. Speaker, I had understood Reform Party members wanted to put up an additional speaker. I was leaving that time available. However, if they do not intend to speak then I would certainly wish to debate this bill. If they could perhaps indicate whether they do have another speaker, I would be happy to stand down.

The Acting Speaker (Mr. Kilger): I am not here as a negotiator, just as a Speaker. I am simply putting the question to the House.

Mr. Mayfield: Mr. Speaker, it was my understanding there would be another speaker from my party. If the debate has come to a conclusion, I would like an opportunity for a brief summary.

The Acting Speaker (Mr. Kilger): There may come a time for that to transpire, but right now we are simply resuming debate. I give the floor to the chief deputy whip and there is approximately one minute remaining.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, one obviously cannot speak a great deal on this important issue in one minute. However, let me take a minute to acknowledge the importance of the issue that has been brought forward: the protection of the privacy of individuals in an increasingly technologized world.

I do not think any of us can go through a day without being aware of how much very personal information about us is available to a myriad of people without our knowledge and the fact that the putting together of that information can jeopardize our privacy extensively. That is precisely why the Minister of Industry is addressing this extremely important issue and fully anticipates bringing measures forward to the House earlier in the new year.

• (1830)

The bill is well intentioned. It has some flaws in it, however. It would be appropriate for the proposer of the bill to engage in another hour's debate on the matter, to make some points as have been made in the debate so far that he believes need to be

considered by the government in drafting the bill, and to take the points forward in debate on legislation that will come before the House. Potentially there will be amendments. We are open to having appropriate action on the matter for the protection of Canadians and their privacy.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93 the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved

COMMITTEE CHAIRED BY THE MINISTER OF INTERGOVERNMENTAL AFFAIRS

Mr. André Caron (Jonquière, BQ): Mr. Speaker, on November 24, I put a question to the Minister of Intergovernmental Affairs. I asked him whether the interim report he transmitted to the Prime Minister on behalf of this committee included the option of putting before the House a simple resolution on the distinct society concept and whether that option was the one favoured by his committee.

As usual, the minister evaded the issue, saying it was not up to him to reveal the results of the work of this committee and that later on, at the appropriate time, the opposition would see whether that was the Liberal government's option.

We asked this question because we wanted to warn the government against proposing to the House a simple resolution to recognize Quebec as a distinct society within Canada. We simply wanted to tell the Liberal government that it was useless, that it was an entirely symbolic gesture that would in any case fail to satisfy Quebec because it did not go far enough and would be rejected by English Canada because it would involve too many changes, according to them.

We wanted to say this because in Quebec, the distinct society issue was raised in the Liberal Party's platform around 1984 or 1985. Robert Bourassa, who was subtle in his approach, had found this expression and used it as a synonym of the concept of the Quebec people, to make it palatable to English Canada. Basically, Mr. Bourassa thought that Quebecers would agree, saying that it was in fact a synonym of the Quebec people and that English Canada would agree in the belief that it meant nothing. History has shown that English Canada was right.

At one point the concept surfaced in the Meech Lake accord. It has often been said that this particular concept was more important than the one in the federal government's current proposal, the claim being that it would affect the way the Constitution was interpreted and that the concept of distinct society in the Meech Lake accord would even take precedence over the charter of rights and freedoms.

This was far from obvious. Eminent legal experts in English Canada, including Professor Peter W. Hogg at York University, claimed the opposite was true, and said quite clearly: "The new section does not take precedence over the charter of rights and freedoms. In fact, as a straightforward interpretative clause, it is subject to the charter".

• (1835)

Had the Meech Lake accord been accepted in its day, we would have found ourselves again before the Supreme Court, which would—contrary to what Premier Bourassa said—again have concluded that the agreement Quebec had signed in good faith did not take precedence over a fundamental element of the Constitution, namely the Charter of Rights and Freedoms.

Obviously we have nothing against a constitution's containing sections aimed at defending citizens' rights, but nevertheless the Charter of Rights and Freedoms has been useful to those wishing to block the aspirations of Quebec, to restrict its development culturally and linguistically.

That charter has helped these people, whom I could almost describe as malevolent, to hobble the development of Quebec and to make it so that today Quebec has no other solution than to promptly and firmly reject any notion of a distinct society and to come up with the proposition that was ours during the last referendum, which is to state loud and clear that Quebec is not a distinct society but a people, period.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, on November 24, the member for Jonquière asked the Minister of Intergovernmental Affairs a question on the federal government's intentions regarding Quebec.

The Minister responded, quoting the Prime Minister, who had said the following:

> To ensure the change and modernization of Canada, no change is excluded.

The Prime Minister promised he would act on the matter of a distinct society and the matter of a veto. He acted on these two promises very quickly, and Quebecers have seen that the Prime Minister is a man of his word, who keeps the promises he makes.

The committee discussed the matters of a distinct society and a right of veto, and we have already seen the initial results, which the Prime Minister announced Monday. The distinct society clause is one Quebec has long sought.

The Prime Minister of Canada's resolution finally accords Quebec Canada's full recognition, because Parliament is the only place representing all Canadians from all regions.

The Prime Minister had promised during the last week of the campaign that he would act to reinstate the right of veto that René Lévesque had lost. We will reinstate it, and this is a big step toward resolving Canada's problems.

The changes required can and must be made within Canada. This is the message sent to all Canadians, including the members of the official opposition, by the October 30 vote.

As the minister said yesterday in the House, his committee is currently studying other questions, including rationalizing powers among the provinces and Canada, and will submit recommendations to the Prime Minister when they are ready.

Our aim is not to destroy Canada, but to build it. This is what the majority of Canadians and Quebecers have asked us to do, and, because we believe in democracy, we will try to continue to build Canada.

[*English*]

CONFEDERATION LIFE INSURANCE COMPANY

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, following on my question to the Secretary of State for Financial Institutions, I wish to emphasize that many of my constituents in the riding of Parry Sound—Muskoka have had their retirement savings jeopardized by the collapse of Confederation Life. They have come to ask for assistance because as every day passes they are suffering financial uncertainty as a result of the collapse of this financial institution.

Obviously what has happened as a result of the collapse of Confederation Life has affected each and every one of them, but some are paying a higher price for the collapse because of their own personal financial circumstances. It is for these people that I urge a speedy dissolution of the assets of Confederation Life, an expedited liquidation process, so that all Canadians affected by the collapse receive their money as quickly as possible.

Not long ago I presented a petition in the House with over 500 signatures on behalf of a group of Bell Canada pensioners who were frustrated not only with the collapse of Confederation Life but also with their inability to convince their employer, Bell Canada, that it had an added responsibility to the company's pensioners. These pensioners believe that because Bell Canada not only chose Confederation Life as the administrator of its group RRSP but also encouraged its employees to participate in the plan, it must now take responsibility for those actions.

The petition I presented calls upon Parliament to initiate an investigation into the collapse of Confederation Life with particular reference to Bell Canada's responsibility toward its employees' funds. I too would like to see this matter resolved expeditiously.

Unfortunately this whole matter is essentially in the hands of the liquidator and the government's ability to intervene is somewhat limited as a result. We know that when a financial institution goes into liquidation it ceases to be a regulated financial institution and responsibility for the distribution of the estate passes to the liquidator under the court's supervision.

My concern right now is with the length of time it is taking to get through this liquidation process. One of the greatest priorities is to recover as much per dollar as is possible by getting the best price on the sale of assets. That is a given. It is my hope this process can be hastened in the interests of those who have been affected by the collapse. We need to get those funds that are guaranteed paid back to the investors, the men and women in this country who put their faith in this company, Confederation Life.

Retirees with the Bell group RRSP investments below the CompCorp limit will eventually be fully compensated for the time value of their money. The failure of Confederation Life did not affect Bell's principal pension plan, but in the case of amounts above the $60,000 CompCorp limit, until the liquidation process is completed it is impossible to determine the proportion of benefits that will eventually be paid.

Granted, in the two previous liquidations of life insurance companies in Canada, policyholders received a significant portion of the benefits owed by the companies, but this is small comfort to those whose life savings are now in jeopardy. These funds are of significant concern to my constituents and many other Canadians. I appreciate their difficulties and I want to do all I can to help resolve this issue and to encourage Bell Canada to accept the fact that it has an obligation to work with its employees and former employees to come to some kind of understanding or compromise.

It is my sincere hope that Bell Canada will address this issue with its present and past employees and will work judiciously to resolve what has become a contentious matter.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I realize that this is a particularly touchy subject for my colleague and for those affected by this problem, of course.

[*English*]

I recognize this is a very difficult issue for those Canadians, including Bell pensioners, who had investments in Confederation Life. There are several factors that should serve to diminish the adverse consequences of the failure of Confederation Life on Bell pensioners.

First, the funds at issue were part of a supplemental savings plan that were intended to augment pension income for Bell pensioners. Bell's principal pension plan is separately managed and was not affected by the failure of Confederation Life.

Second, I am informed by the Canadian Life and Health Insurance Compensation Corporation, CompCorp, that the group RRSP in question is guaranteed by CompCorp to a maximum of $60,000, including principal and interest. Amounts over $60,000 will be recoverable through the liquidation process.

Finally, a hardship committee has been established by the liquidator to review requests in cases of unusual financial hardship. The intention is to ensure that funds are immediately available to those most in need.

Regarding whether anything can be done to speed up the liquidation, responsibility for the liquidation of Confederation Life is a matter for the liquidator under the supervision of the court. As such it would be inappropriate to intervene.

[*Translation*]

The Acting Speaker (Mr. Kilger): In accordance with Standing Order 38, the motion to adjourn the House is deemed to have been passed. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.44 p.m.)

HOUSE OF COMMONS

Friday, December 1, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

CONSTITUTIONAL AMENDMENTS ACT

BILL C-110—MOTION FOR TIME ALLOCATION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.) moved:

That in relation to Bill C-110, an act respecting constitutional amendments, not more than one further sitting day shall be allotted to the consideration of the second reading stage of the bill and, fifteen minutes before the expiry of the time provided for government business on the allotted day of the second reading consideration of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this order, and in turn every question necessary for the disposal of the second reading stage of the bill shall be put forthwith and successively without further debate or amendment.

[*English*]

The 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. 387)

YEAS

Members

Alcock	Allmand
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bellemare	Bertrand
Bevilacqua	Blondin-Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Bryden	Caccia
Calder	Cannis
Catterall	Clancy
Cohen	Cowling
Crawford	DeVillers
Dhaliwal	Dromisky
Duhamel	Dupuy
Easter	Eggleton
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Goodale
Graham	Gray (Windsor West/Ouest)
Grose	Guarnieri
Harb	Harvard
Hopkins	Hubbard
Irwin	Jackson
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	Loney
Maclaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McCormick
McGuire	McKinnon
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	O'Brien
O'Reilly	Pagtakhan
Paradis	Patry
Payne	Peric
Phinney	Pickard (Essex—Kent)
Reed	Regan
Richardson	Rideout
Ringuette-Maltais	Rock
Scott (Fredericton—York—Sunbury)	Simmons
Skoke	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Telegdi
Thalheimer	Tobin
Torsney	Valeri
Vanclief	Verran
Wells	Whelan
Wood	Young—120

NAYS

Members

Axworthy (Saskatoon—Clark's Crossing)	Bergeron
Caron	Dalphond-Guiral
Debien	Duceppe
Dumas	Gilmour
Godin	Harper (Calgary West/Ouest)
Hayes	Hermanson
Hill (Prince George—Peace River)	Johnston
Laurin	Leroux (Richmond—Wolfe)
Martin (Esquimalt—Juan de Fuca)	Mayfield
McLaughlin	Ménard
Mercier	Meredith
Morrison	Paré
Ramsay	Ringma
Speaker—27	

PAIRED MEMBERS

Adams	Asselin
Bachand	Bélisle
Bellehumeur	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bethel
Bouchard	Brien
Brushett	Campbell
Canuel	Cauchon
Chamberlain	Chan
Chrétien (Frontenac)	Collenette
Collins	Comuzzi
Copps	Crête
Culbert	Daviault
de Savoye	Deshaies
Dingwall	Dubé
English	Fewchuk
Fillion	Gagnon (Québec)
Gauthier	Gerrard
Godfrey	Guay
Guimond	Harper (Churchill)
Hickey	Iftody
Jacob	Lalonde
Landry	Langlois
Lastewka	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Lefebvre	Loubier
MacAulay	Marchand
McLellan (Edmonton Northwest/Nord-Ouest)	Nunez
Ouellet	Parrish
Peters	Peterson
Picard (Drummond)	Pillitteri
Plamondon	Pomerleau
Proud	Robichaud
Robillard	Rocheleau
Sauvageau	Shepherd
Sheridan	Speller
St. Denis	Terrana
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Ur	Venne
Walker	Wayne
Zed	

• (1045)

[*Translation*]

The Deputy Speaker: I declare the motion carried.

(Motion agreed to.)

[*English*]

CONSIDERATION OF SECOND READING

The House resumed from November 30 consideration of the motion that Bill C–110, an act respecting constitutional amendments, be read the second time and referred to a committee.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, a country is what citizens make it. Therefore we can take collective pride that Canada has been deemed by the United Nations as the number one country in the world in which to live.

Today we are challenged once more to reaffirm our faith in our country. We are asked to reaffirm our trust in each other. We are called to creative leadership. Either we are for Canada or we are not.

It is with great pride that I rise today during this historic debate to offer my full support of the unity package unveiled by the government and now before the House.

A key component of this package is Bill C–110, an act respecting constitutional amendments. The bill commits the Government of Canada to obtain the approval of all four regions of the country, namely, the western region comprising Manitoba, Saskatchewan, Alberta and British Columbia, the Atlantic region comprising Nova Scotia, Newfoundland, New Brunswick and Prince Edward Island, and the provinces of Ontario and Quebec as two separate regions.

Ottawa commits itself, before constitutional amendments can be proposed to Parliament, to first obtain the consent of at least six provinces, namely, Quebec, Ontario and two provinces from the Atlantic region representing more than 50 per cent of the region's population and two provinces from the western region representing more than 50 per cent of the west's population.

When Bill C–110 becomes law, the federal government could not proceed to table a constitutional amendment if any one of the four regions refused to give its consent, even if seven provinces representing 50 per cent of Canada's population pass resolutions in favour of such a constitutional amendment.

Although the present bill does not amend the Canadian Constitution which stipulates four legal amending processes as provided for in sections 38 to 44 of part V, it is as an act of the federal Parliament binding on current and succeeding governments.

The western region makes up nearly 30 per cent of Canada's population, larger than Quebec's and smaller than Ontario's. Taking into account the population of each of the four western provinces, the bill affects the western region in this fashion: first, Alberta would require either British Columbia or a combination of Saskatchewan and Manitoba to exercise the veto;

second, Manitoba and Saskatchewan would require British Columbia or each other and Alberta to exercise the veto; third, British Columbia would require only one other western province to exercise its right to say no.

The regional veto envisioned in this bill gives greater strength to each of the western provinces than can be obtained under the existing amending formula.

It is a significant step forward. It illustrates the flexibility of federalism to which the government is committed. It is this sort of political creativity and ingenuity that should summon in us a sense of pride in our Canadian citizenship, which should be a forum for transcending differences and considering the common good of all.

Most Canadians became citizens by birth. For me, becoming Canadian was a conscious choice, a choice informed by a strong commitment to the values, goals and vision Canada has for herself in the world community.

In January 1968 I braved my first Canadian winter in Winnipeg as a new immigrant. Coming from the tropical climes of the Philippines, the country of my birth, the cold winds and bitter frost of the North American prairie seemed particularly harsh. But the chill of the winter was quickly offset by the warmth of the welcome I received from the people of Manitoba. Winnipeg was my Canadian city of entry, a friendly place where I felt at home instantly. But Canada is the country I adopted.

• (1050)

My four sons were born on Canadian soil. Many of my dreams for my family and my career have been realized in Canada. My future goals, if they are achieved, will be achieved in this country.

This is a country which accommodates the dreams of individuals from all cultures, from all walks of life. This is a country that promotes and supports a fully integrated citizenship which takes these differences into account.

My constituency of Winnipeg North is a microcosm of Canada. People of aboriginal ancestry and people of Ukrainian, Jewish, Polish, Indian, Portuguese and Filipino origins, along with anglophone and francophones and many others, have made Winnipeg North their home. They are proud of their heritage and they are proud of their Canadian citizenship. These define our shared identity.

Beyond our shared identity, beyond our diversity there is a stronger force that socially binds us. It is a set of shared political values. Canadians share a belief in equality and fairness. They believe in consultation and dialogue. They share in the importance of accommodation and tolerance. They share compassion, generosity and an attachment to the natural environment. Together they support diversity. As a people we share a commitment to freedom, peace and non–violent change.

Canadians from coast to coast to coast told us four years ago that we share these seven values. It is certainly true that we in different regions, provinces, cities, communities and households may feel like a minority with different priorities and goals. Sometimes those differences can make us feel alienated from the majority.

I know that feeling. As a Filipino Canadian, I know that being a member of a visible minority makes me sometimes feel like an outsider. Occasionally I feel a sense of aloneness. But those feeling pass whenever one stops to consider the policies which inform the real discourse of this country.

Nearly a quarter of a century ago in this House, then Prime Minister Trudeau introduced a ground breaking policy which formalized the very values of which I spoke earlier. One of the chief aims of that policy was to enhance every Canadian's sense of belonging, in the process fostering the ties that bind us all together.

The policy has showcased, in a very real sense, the creativity, the ingenuity of the Canadian people. It sent a clear message to me as a Canadian of Filipino origin that I was as welcome in Canada as anyone else. It confirmed my initial impressions of Canada formed that first winter a few years earlier. It made me understand that, yes, I am different from some, but I am equal to all.

The bill before us today is the fulfilment of a promise, part of the promise that includes recognizing Quebec as a distinct society within Canada. We all know and have known since Confederation that Quebec is a distinct society within Canada, a distinctiveness defined by her unique culture, French speaking majority and civil law tradition.

As I mentioned before, differences can lead one to a sense of alienation. With this motion introduced by the Prime Minister, Canadians are sending the clear message to Quebecers that we not only respect the differences in their traditions, history, language and culture, we celebrate and value them. They make Canada whole.

We are reawakened to the spirit of partnership and collaboration which brought us together more than a century and a quarter ago. We want Quebecers to know that by working together, we can develop a national vision to confront with resolute confidence the challenges of today and tomorrow just as we triumphed when we faced the challenges of the past.

Our historical achievements in building this nation rightly give us a sense of national pride.

• (1055)

Our shared identity, our shared values, our collective sense of pride in the midst of our deep diversity, are the tools that shall preserve Canada as a nation, that shall propel us to prosperity. These are the tools that will translate our hope into reality.

The challenge before us today is whether we have the will to accommodate, the will to make sacrifices for our common national good, the goodwill to see us build on the partnership of the past 128 years. We cannot allow history to judge us harshly. We cannot allow the moment for national unity to pass. I therefore ask all colleagues to shed political partisanship for Canadian partnership. Long live Canada. Vive le Canada.

The Speaker: I wonder if rather than begin a speech, then break it up in the middle—

[*Translation*]

—we might proceed directly to members' statements.

STATEMENTS BY MEMBERS

[*English*]

WORLD AIDS DAY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, the number one cause of death in men aged 19 to 44 in the major metropolitan areas of Canada is AIDS.

Today is World AIDS Day. The World Health Organization's theme this year is shared rights and responsibilities. This theme highlights the need for equality and solidarity in global responses to AIDS. Its message is clear. Everyone has the right to information, preventive skills and tools, to avoid infection. Everyone has the right to access to appropriate care free from the burden of discrimination.

The World Health Organization message balances these rights with the responsibility of the individual to protect self and others from infection, the responsibilities of families and communities to educate the public about HIV prevention and to care for those infected with AIDS.

Themes are usually rhetoric unless followed by action. Let us in the House commit ourselves to actively ensure those rights and responsibilities become reality. AIDS creates too much tragic waste of human life and potential to do otherwise.

* * *

[*Translation*]

MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, yesterday in the House the Minister of Indian Affairs was unable to reply to questions concerning certain highly paternalistic and disdainful comments about aboriginal people made by his ADM. His reason: the memorandum in question was not addressed to the minister himself. What a lame excuse.

The contents of this memo were released by the *Globe and Mail*. In addition to expressing doubts about the professionalism of the reporters on this respected daily newspaper, and to describing his ADM's comments as "pretty silly", the minister has insulted the intelligence of the members of this House and of his constituents by refusing to answer questions on his departmental policy for ridiculous reasons.

It does not matter to whom the memo was addressed; he was at the very least clearly remiss in his duties.

* * *

[*English*]

FIREARMS

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, violent home invasions are becoming a serious problem in Canada. The Liberals say that they want a safer society, but by protecting criminals from decent citizens they make life more dangerous for us all.

The Prime Minister has on various occasions stated that it is somehow un-Canadian to possess firearms for home protection. That is easy to say when one is protected by armed guards. However a few weeks ago when the system broke down, the Prime Minister discovered that even the mighty are vulnerable.

I have this vision of the Prime Minister shivering in his nightshirt, clutching his soapstone carving. I wonder if as the long minutes dragged by he would not have felt more comfortable if he had been holding a .38.

The rest of us do not even have sleeping policeman around—

The Speaker: The hon. member for Saint-Denis.

* * *

[*Translation*]

WORLD AIDS DAY

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, I would like to draw attention on this first day of December to World AIDS Day. This day brings to mind the significant numbers of individuals affected by this disease, one for which to this day there is still no cure. In North America it is a dramatic fact that AIDS is the top ranking cause of death for people between the ages of 25 and 44.

• (1100)

[*English*]

Health Canada reports that last year alone almost 3,000 Canadians were reported as having contracted the AIDS virus. That is about eight Canadians per day. It is indeed a shocking amount, but what is more shocking is that we are not doing enough to find a cure.

The federal government must strengthen its national AIDS strategy and do more to help researchers across the country who are working to develop an AIDS vaccine, researchers like Dr.

Christos Tsoukas of the Montreal General Hospital whose research is seriously jeopardized by this lack of funding.

We owe it to Canadians, especially to young people.

* * *

TOURISM

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, in the riding of Parry Sound—Muskoka, as well as in many other areas of the country, constituents depend on tourism. The weather this week has reminded us that tourism is not just a summer business but a year round business.

Tourism is a very important industry in the country. It contributes about $26 billion to our gross domestic product. It is estimated that every new $1 million of tourism expenditure results in 39 person years of employment. In my riding almost one of every two jobs is dependent on this industry.

When it snows, and has it ever snowed, the small businessmen and women in my riding look forward to a good winter season. We have some of the best trail systems in Canada. We attract those who cross–country ski, snowshoe or snowmobile.

If November's record snowfall is any indication, it will be a great season for all winter activities. I invite all Canadians to share in the experience of the great Canadian winter in my riding and across the country.

* * *

PROVINCE OF ONTARIO

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, on Wednesday the people of Ontario finally learned that Mike Harris and his Conservative government do not know the meaning of the words common sense.

Ontarians will now have to wait longer for hospital services, if they can find an open hospital; pay up to 22 per cent more for a university education; and learn to live with fewer locally provided services.

The Waterloo region, which takes in my riding of Cambridge, will be faced with $9 million in hospital cuts. Those cuts will mean a reduction and possible elimination of services from three hospitals in the area.

The area will also see a cut of approximately $10 million to schools. Libraries in Cambridge will lose $120,000 and transit fares will go up.

While all Ontarians want to get their fiscal house in order, why is it that the sick, the elderly and children trying to get an education will be most hurt by the cuts? The premier's friends who have been promised a 30 per cent tax break will not.

While it is nice to see that the premier—

The Speaker: The hon. member for Kindersley—Lloydminster.

* * *

NATIONAL FARMERS UNION

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, last week I met with farm leaders in Atlantic Canada and attended the annual meeting of the National Farmers Union in Charlottetown.

The following resolution was carried by the NFU membership:

> Whereas we supposedly live in a democratic country, and whereas much money is spent on getting MLAs and MPs elected to represent the people, therefore be it resolved that the NFU pressure all provincial premiers and the Prime Minister of Canada to allow elected officials to fairly represent the people who elected them by permitting free votes without fear of reprisal.

The hon. member for Malpeque seems to have forgotten what he did prior to being elected to the House. Let me think. Could it be the president of the National Farmers Union?

It appears as though there has been a change of mind for the hon. member for Malpeque since arriving in Ottawa. Instead of representing the wishes of his constituents, the member has decided to become a traditional politician, toe the Liberal Party line and become part of the Prime Minister's "Yes, whatever you say" club.

Now is the time for the hon. member for Malpeque and his seatmates to return to reality and recommit themselves to representing their constituents.

* * *

WORLD AIDS DAY

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, today is World AIDS Day. Sadly thousands of Canadians are all too personally familiar with the tragedy of AIDS and HIV.

The human cost of AIDS is immeasurable. Each day our communities lose valuable and talented members to this disease. Right now AIDS is one of the primary causes of premature death of Canadian men. We must devote greater resources to its control and elimination.

AIDS has preyed particularly severely on Canada's artistic community and this impoverishes every Canadian. Museums, galleries and art shops across the country will be closed today in commemoration of a day without art to honour artists lost to AIDS.

[*Translation*]

Recently, there have been breakthroughs in the fight against this terrible disease, but we now have a responsibility to guarantee stable and adequate funding for research, and to assist individuals and their families.

S. O. 31

• (1105)

[*English*]

THE LATE JOHN ANGUS RANKIN

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, last Monday hundreds of people gathered at the funeral of John Angus Rankin to say goodbye to this beloved parish priest and fiddler.

Born in Inverness, Reverend Rankin was ordained to the priesthood in 1946. In 1959 he became pastor of Saint Mary of the Angels Parish in Glendale and Holy Trinity Mission in Waycobah, where he stayed until his retirement in 1994.

During these years Reverend Rankin sparked a renaissance in Cape Breton fiddling and helped revive the Gaelic language. He combined an ear for fiddling with a genuine love for people, in particular the Micmac community of Cape Breton among whom he finally chose to lay at rest.

Reverend Rankin will be sorely missed by all, but his cultural and musical legacy will continue to live on long into the future.

* * *

LIBERATION OF HOLLAND

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, a monument erected this remembrance week in Chatham's Legion Memorial Gardens is a constant reminder of how lucky we are to be Canadians.

More than 500 veterans and Kent's Dutch community paid tribute to the Canadian soldiers who fought and died to liberate Holland 50 years ago.

We can never take our freedom for granted. It is important that future generations realize how fortunate we are in Canada. Our soldiers gave their lives, the supreme sacrifice, so each of us could speak and live freely.

Thanks to the efforts of the Dutch in my riding who raised $12,000 to build the memorial, we have a permanent reminder of our soldiers' struggles. They did not die for a region or a province; they fought for Canada.

The Dutch community wanted me to point out that they are not hyphenated or distinct Canadians but Canadians only, true and proud. I salute their efforts at remembrance.

THE ECONOMY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, once again the federal government is the last to catch the winds of change.

Canadians from coast to coast are calling for the government to deal with the issues that are truly important. At the top of the list in every region of the country are balanced budgets and tax relief.

The provincial governments are answering the call. Nine have balanced their budgets or plan to do so. A number have developed debt repayment schedules just as Canadian families would pay off a mortgage. By doing so these governments are also putting themselves in a position to offer tax relief in the near future.

The message is clear. Canadians are now holding their elected officials to higher fiscal standards than ever before and the litmus test they are applying is a balanced budget plan. It is telling that there are only two governments in all Canada which fail this test: the separatist government in Quebec and the Liberal government in Ottawa.

* * *

WORLD AIDS DAY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, today is World AIDS Day. As part of the national strategy, the national health research and development program budgets some $5.5 million to researchers working outside Health Canada. The Medical Research Council contributes another $2 million to this research.

Normally these programs issue calls for research applications twice each year. Because the federal government is not prepared to commit to funding AIDS research beyond March 1998, the two programs have decided to stop accepting applications. As a result, long term research will suffer and some of the best and brightest researchers may leave the field.

If the Minister of Health and the government are prepared to accept responsibility, it is essential that the Minister of Health and the Liberal government put their money where their mouth is. It takes money to do research. I call on the government to immediately introduce a funding base beyond 1998.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, this government's performance on job creation is deplorable. This morning,

Statistics Canada announced that 44,000 jobs were lost in November. Employment has remained practically at a standstill in Canada for the past twelve months. Although jobs are the main focus of the government's program, it has failed utterly to do anything about the labour market situation.

Since the Liberals came to power, the unemployed have been asked to make big sacrifices. The government said that its objective was to put people back to work. There again, it has failed. The Minister of Human Resources Development will table his second set of unemployment insurance reforms today. Like last time, he will say they are intended to give Canadians the dignity of work. However, the figures are there to tell us that the job done on unemployment insurance will not create jobs. The minister is not giving Canadians the dignity of work. He is taking it away from the unemployed.

* * *

• (1110)

[*English*]

WORLD AIDS DAY

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, today, December 1, is the eighth annual World AIDS Day.

Since the global epidemic of this dreadful disease was first documented and up to the end of 1994, an estimated 19.5 million men, women and children have contacted HIV. The World Health Organization estimates that the total number could more than double by the year 2000.

AIDS is the most deadly scourge ever faced by humankind. Those who suffer with the ravages of this disease, their families and friends, indeed all of us can count ourselves among the victims of AIDS.

I urge all Canadians to continue to support the battle against this devastating illness. The efforts of every one of us are needed if we are ever to celebrate the last World AIDS Day, the day when we can finally claim victory over this deadly killer.

* * *

ROYAL ROADS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I state in the strongest possible terms my objection to the fact that some 484 acres of pristine crown lands on the Royal Roads property in my riding of Esquimalt—Juan de Fuca are on the table for future development.

The Department of National Defence has already paid the city of Colwood $198,000 for a buy–in for 6,000 residential equivalency units of trunk sewer capacity with an application for a further 2,000 units. Plans for the development of the lands and the property are already under way by the Treasury Board.

Given this fact we deserve to know what are the plans for Royal Roads, who has been consulted and what is the time frame for this development.

Since April 1994 I have continued to advocate a plan put forth by the Royal Roads committee that I started which would see the development of only 60 acres of the land with the rest held forever, in perpetuity. Rest assured I will fight tooth and nail alongside my constituents to ensure that these beautiful lands are not bulldozed and concretized in the name of development.

* * *

[*Translation*]

WORLD AIDS DAY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, today is World AIDS Day, and I would like to make parliamentarians, Quebecers and Canadians more aware of the importance of this day.

No one should and no one can afford to remain indifferent to the seriousness of this disease and the physical and psychological suffering it causes.

Unknown until the end of the seventies, the AIDS virus has, in many western and developing countries, become public health problem number one. In 1993 the World Health Organization estimated that more than 14 million people throughout the world were or had been infected by HIV, and 7,000 people have died of AIDS in Canada.

It is still very important to educate the public about the risk of HIV infection. This terrible disease continues to strike down individuals of all ages, irrespective of gender or sexual orientation.

We must not give up in despair. We must persevere in our search for ways to wipe out this disease, because this is the only message of hope—

* * *

[*English*]

BANKS

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, as a member of Parliament one of my greatest frustrations are banks and their limited interest in assisting small business.

My riding of Huron—Bruce thrives on the success of small and medium size businesses. Many Canadians are seizing the entrepreneurial spirit, some because it is their lifelong desire and others because they are unable to find employment. These people have skills, intelligence, energy and are willing to take risks to become financially independent.

Small businesses need to be given an opportunity. Canadian banks are making it difficult for entrepreneurs to realize their dreams. If entrepreneurs could afford to launch a new business

or if every mature business could afford to employ one more person, Canada's unemployment rate would decline drastically.

The government has taken the initiative to help small businesses with measures such as Bill C–99, an act to amend the Small Business Loans Act.

I encourage all bankers to help remedy our unemployment problems by taking an invested interest in our financial future and by ensuring that new and existing entrepreneurs are given a fair and equal chance to prove that they can contribute to the economy of the country.

ORAL QUESTION PERIOD

• (1115)

[*Translation*]

INDIAN AFFAIRS

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. A memo from Assistant Deputy Minister of Indian Affairs, Jack Stagg, recommends that Ottawa offer financial compensation to native peoples for supporting the federal system in the referendum and subsidies to try to silence the First Nations' constitutional claims while the so–called Quebec initiatives are announced.

When questioned yesterday, the Minister of Indian Affairs and Northern Development avoided the issue by saying that he had not read the memo, although the national media were talking about it.

How does the minister explain that, yesterday, not only did he not know what his own assistant deputy minister was doing, but he was unaware of what everyone else was fully aware of from reading the paper, namely the content of Mr. Stagg's memo.

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as I explained yesterday, I have 3,000 civil servants in my department alone. A lot of them do a lot of writing. I did not ask for that note, I did not want that note, and I do not agree with that note.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I imagine the minister must have watched TV yesterday like everyone else; it was on all the networks.

Given the memo's unacceptable recommendations and its lack of respect for the First Nations, will the minister tell us clearly whether he and his government will dissociate themselves from the content of the memo by his assistant deputy minister? Let him say so clearly.

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I just did.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I understood the minister to say earlier that he was dissociating himself, and now he is saying it again. If this is true, since the memo was not well received by the various native groups and since the Department of Indian Affairs is supposed to protect the rights of these people, would the minister tell us if he plans to discipline his associate deputy minister for his fine memo?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the First Nation vote in Quebec does not have to be bought. They are standing up for Canada. When the Crees vote 96.3 per cent no against the separatists and the Inuit vote 95 per cent no against the separatists and the Montagnais vote 99 per cent no against the separatists, that should send a clearer message to the separatists than to the Liberal government.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, it is highly surprising that the minister would brag about accepting the results of referendums restricted to the Crees and Montagnais, an essentially ethnic referendum in which the other people living on these lands were not allowed to vote. That is a very interesting statement coming from this minister.

He was not asked whether or not referendums were held in Quebec. Rather, he was asked specifically whether he dissociates himself from his assistant deputy minister's memo. We are not talking about just anybody, about one of 3,000 public servants, but about the assistant deputy minister. Is the minister going to summon his ADM and take appropriate action? That is the question. We are not asking the minister for his life story. He should be responsible and answer the question.

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will associate myself with any civil servant in any department of the government who wants to help the aboriginal people of Quebec.

While I am on my feet, talking about association, there is a person called Pierre Blais who is a member of the separatist government in Quebec. He calls the aboriginal people of Quebec gypsies and nomads.

We are talking about disassociation. When the new leader of Quebec takes over as premier, and maybe when some of the A team go and leave the B team here, will the A team disassociate itself from comments like that?

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we disavowed such comments as soon as they were uttered. I do not know any Pierre Blais, but I do know that this minister is skirting the issue. Perhaps he needs videotapes to understand the reality, just as the defence minister understands only when he can see the evidence on videotape.

• (1120)

I ask him again the same question. His assistant deputy minister made unacceptable comments, mostly about native people. Will he punish his assistant deputy minister or does he only have a problem with the fact that there was a leak? Is this his sense of responsibility, that a leak is serious? What he said shows his inability to take action. If this minister is incapable of taking action against an assistant deputy minister who made such comments about Quebec and its native people, he should not be a government minister.

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will correct that. Pierre Blais is a former minister of justice.

We are talking about disassociation. I will be clear. Any provincial or federal civil servant or any provincial or federal cabinet minister who wants to do the just and honourable thing with aboriginal people will be followed and admired by me.

While we are on the subject of disassociation, what is this party going to do about a former leader who talks about "ethics"? What is this party going to do about a former deputy premier who goes into a hotel and says the same thing? What is this party going to do about racism in Quebec vis-a-vis the ethnic community? It is important to me because I come from ethnic stock, from the Italians and the Irish. If I am offended, I wonder how the aboriginal people feel, who have to face fivefold what we had to face in this country. What is the member going to do about that?

* * *

UNEMPLOYMENT INSURANCE

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, after a year and a half of delays, flying trial balloons, and countless rewrites, the Minister of Human Resources Development is finally bringing down his watered down UI reform proposals. He has even promised job opportunities and more jobs. Unfortunately while he has been playing politics a very alarming circumstance has occurred. Statistics Canada reports that last month the number of working Canadians fell by 44,000. That is five months of job growth down the drain. I wonder what is happening here.

My question to the minister is as follows. What if anything are the minister's UI proposals doing to stimulate job growth in the private sector?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, it is abundantly clear to those individuals who have been active participants in the debate about restructuring Canada's social security system that the Unemployment Insurance Act as it is today does not reflect the reality of the workplace. It is for this reason that the government embarked on a very ambitious project to modernize Canada's social security system with three major objectives.

The first objective is to help Canadians find and keep jobs by providing them with not only income support but also a set of tools that will allow them to get back to work quickly. The second objective is to provide protection for the most vulnerable in our society. I know how the Reform Party feels about that. The third objective is to develop a system that is sustainable.

The announcement the minister of human resources will make today will be something Canadians have been waiting for and it will address those three objectives.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, those objectives are certainly noble, but job growth has not occurred. When we saw the minister preparing his proposal, in the last few days he has been making political manipulation and changes instead of looking at sound policy.

If the minister is really serious about creating jobs and improving job opportunities in the country, why did he not slash the payroll taxes by more than the token five cents that was announced informally yesterday? My question is clear. The Minister of Finance has said in the House more than once that payroll taxes kill jobs. If that is true, why did the Minister of Human Resources Development not announce a slash greater than five cents?

• (1125)

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, it is becoming abundantly clear that the Reform Party simply does not understand even the measures taken in the past budget by the Minister of Finance.

The Minister of Finance has already reduced payroll taxes. Measures that will be announced later on by the minister will speak to the issue of job creation, which is an important and fundamental pillar of the jobs and growth agenda. Not only has the government created over 500,000 jobs, but we are modernizing the delivery services. We are engaging the private sector, working together in partnership with the government through things like national sectoral councils and youth internship

programs, which have created over 30,000 jobs for young people.

We are modernizing the system and we are creating the climate that will speak to the issue of job creation.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Minister of Human Resources Development has promised that through the UI proposals there will be job opportunity and job growth. If you really look at it, what is the record?

Nothing in there will break the cycle of dependency. There will be nothing there for those 44,000 Canadians who just lost their jobs. There is going to be nothing there for the young people who are looking for jobs at the present time. There is a lot of politics, but not good, substantial policy.

My question is for the hon. parliamentary secretary. After a year and a half of dithering and political manoeuvring here and top down tinkering and made in Ottawa solutions, what is the government really going to do through this policy to reduce the number of unemployed in this country?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member should be asking what the government has already done to create jobs in Canada. We have done a great deal. I have outlined a number of measures we have taken already.

I find it extremely surprising that a member of the Reform Party, the same party that does not support the summer job action plan of this government, which has created over 44,500 jobs, would get up and claim to be the defender of young people in this country.

It is abundantly clear to the people of Canada that the Reform members of the opposition have abdicated their responsibilities to give young people a chance.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs. In his memo, Indian Affairs assistant deputy minister Jack Stagg suggested that federal subsidies be granted to aboriginal people, first, as compensation for supporting the no side in the referendum and, second, as a way to silence native constitutional demands while the federal government is making pseudo–offers to Quebec.

In light of his ADM's memo, will the minister confirm that he did not commit and does not intend to commit any federal funds to cover the costs incurred by the Crees and the Inuit to hold their own referendums in October?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what I can guarantee is that in Quebec there will be a clear understanding that there is an 1898 line, that the northern two–thirds of Quebec was transferred to Quebec without the knowledge and consent of the aboriginal people.

What I will guarantee is that the people of Quebec and Canada will understand that there is a royal commission report. There is an opinion from Daniel Turp, which has been hidden by the Bloc, that states that the rights of the aboriginal people in Quebec are sovereign, that they are more important than even the rights of Europeans who came after they did. That is a fact that the separatists know and are hiding. They put a muzzle on their legal scholar who advised them of this.

What I will guarantee is that the voice of our Minister of Foreign Affairs will be heard in Quebec, as will the voices of the thousands of Canadians who came forward and said to Matthew Coon–Come and Zebedee Nungak and the Mohawk leaders: "We understand finally what you are saying and we are with you".

[*Translation*]

Mr. André Caron (Jonquière, BQ): In that case, Mr. Speaker, will the minister give us formal assurances that, contrary to what his ADM suggested, his government did not and will not try to buy the First Nations' silence on their constitutional demands while Ottawa is making its so–called offers to Quebec?

• (1130)

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the silence or the voice of the aboriginal people is not for sale. Matthew Coon–Come said during the referendum: "We are not Canada's Crees; we are not Quebec's Crees. We are Crees and we are not cattle to be moved around indiscriminately by ideological separatists at will".

* * *

JUSTICE

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the federal–provincial financial agreements for the administration of justice expired over two and a half years ago. The Liberal justice minister has failed to renegotiate these agreements within that period.

I ask the justice minister: what is the status of these agreements? Are they in place and if not, why are they not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, perhaps the hon. member would be good enough to tell me to which agreements he is referring. Is he referred to the firearms agreements? Is he

referring to the cost sharing agreements for young offenders or legal aid? If the hon. member would be more specific in his question, I have information I would be happy to share with him.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, last week we asked the justice minister the same question. Of course the solicitor general responded by saying he would get back to us. He has not got back to us with the information. At that time we were quite specific on what we were referring to.

I will ask the justice minister about the alternative measures program. The program as defined under Bills C–37 and C–41 will place a tremendous financial challenge on the provinces which are tasked with the administration of the program. What financial agreements if any has the justice minister devised in co–operation with the provinces, or is he just going to ignore the cost of this legislation to the provinces and force this legislation on them together with the financial requirement?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is important that the hon. member refer specifically to the agreements he is asking about. There are many agreements between the federal government and the provinces by which we share the cost in the administration of justice.

The hon. member has now referred to one such program. I am proud to say that today happens to be the day when the provisions of Bill C–37 are proclaimed in force and come into effect across the country. The provisions make extremely important improvements to strengthen the Young Offenders Act, particularly in relation to violence.

As the solicitor general said in the House last week in response to the last question put by the hon. member on this subject, we are assembling detailed information for the member which we will give him in the coming days when it is ready. Many of the agreements which expired some 18 months or two years ago have since been renewed retroactively to the date of the expiry of the last set of agreements.

As always, we are continuing our efforts with the provinces to work toward a justice system that is properly financed, that works in co–ordination at the various levels of government and that serves the people of Canada.

* * *

[*Translation*]

INDIAN AFFAIRS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs.

The Kahnawake band council has passed a resolution to expel Peter Jacobs, a resident of the reserve, simply because he is not of Indian blood, discriminating against him on essentially ethnic grounds. Mr. Jacobs was adopted when he was three weeks old and has been living on the reserve for 40 years.

Does the minister support the decision made by the Kahnawake band council to expel Mr. Jacobs for ethnic reasons?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, this is the same elitist strategy I heard during the referendum. This is back to blood quantum and the old Quebec. This is it again.

Let me talk about my experience in Kahnawake when I went there with Serge Ménard, David Cliche and the solicitor general. We could have walked in there in peace to sign a policing agreement but because there was so much animosity built up between the separatists and people at Kahnawake, the aerials were ripped off our cars. They jumped in our cars and tried to choke us. This tells me that the federal Liberals understand the aspirations of the Mohawk and are able to deal with them and that the path of elitism the separatists are going on will bring this country to destruction. These are the types of questions that are the strategies and policies of the separatist party.

• (1135)

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the minister has fiduciary obligations toward aboriginal people; he grants major subsidies to the various band councils. Therefore, he is duty–bound to take his responsibilities instead of throwing this kind of red herring at us.

Does the minister support the Kahnawake band council's decision and does he intend to take action to prevent Mr. Jacobs' expulsion, yes or no?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, now that I understand more about the Mohawks, I think this type of question is a shame. They are Quebecers who are part of the city of Montreal. Once again the separatist party wants to get on blood purity which is where we are heading with this type of question—

Mr. Leroux (Shefford): Yes or no?

Mr. Irwin: Yes or no.

If the Reform wants to go in there—I mean the Bloc, I mix them up these days; it was a Freudian slip—it should go in and talk to them and not do as the Bloc critic has done which is to surreptitiously go from door to door in the Mohawk community

asking: "Are you happy? Do you have any guns?" He got kidnapped by the Mohawks until they found out who he was and then let him go.

* * *

YOUNG OFFENDERS ACT

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, Bill C–37 which amended the Young Offenders Act did not go far enough. Canadians said it and Reform said it, but the justice minister went ahead with it anyway. Bill C–37 just received royal assent and the committee is already off on another mission to uncover the inadequacies of his improved act.

For years Canadians have been telling governments what is wrong with the YOA but governments will not listen. The minister did not listen to witnesses appearing before the committee last time. What assurance can he give them that he will listen this time?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member demonstrates on this issue as on so many others his preference for volume over analysis and his preference for rhetoric over reality.

Bill C–37 is an effective and insightful advance for the youth justice system in this country. It helps us to deal far more appropriately with violence among young people especially in the 16 and 17–year old age group.

At the time we introduced Bill C–37 we said that it was only a beginning and that more was required. We asked the justice committee, on which the member's colleagues sit along with members of our party, to undertake across Canada a comprehensive full analysis of the youth justice system to see how else it could be improved. That is the work in which the committee is engaged. It is important work and will result in recommendations to which we will pay attention.

If the hon. member thinks there is some better way to go about it, I would like to hear from him.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the reason I might resort to volume from time to time is in the hope the message might get through to the minister.

The Minister of Justice has sent the justice committee packing. The committee is to cross the country seeking the opinions of Canadians on his new and improved Young Offenders Act. Will the justice minister commit today to the members of the standing committee, to all members of this House and more important, to all Canadians, that he will listen and pay attention to the recommendations of the committee, or will this be just another colossal waste of taxpayers' time and money?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member also demonstrates that he is unable to accept yes for an answer.

Had he spoken with members of his own party who were at the committee hearing when I addressed them two weeks ago, he would know that I told the committee that this is an open minded, no holds barred, top to bottom review of the youth justice system.

I have asked the committee members to speak to police officers, to parents, to school principals and to young people themselves. I have asked them to speak to the provinces to determine their experience with the Young Offenders Act and its administration and to return with recommendations for further change. That is the way the process works. That is the functioning of democracy. I urge the hon. member to take a responsible part in it.

* * *

• (1140)

[Translation]

FIGHT AGAINST AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Health. Today is World AIDS Day. The epidemic, far from being under control, has reached unexpected proportions. From 1982 to 1995, 15,000 cases of AIDS were reported in Canada. Over the next five years, another 15,000 cases will be identified. In the meantime, the minister does nothing but make empty speeches and is incapable of pledging to maintain the national AIDS strategy.

Given the terrible ravages of that disease, how can the minister justify that she is contemplating saving $40.7 million per year, at the expense of people living with AIDS, by giving up the national AIDS strategy? Such a decision would be shameful.

[English]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member very well knows the answer to his question which is that HIV/AIDS and the battle against it remains a priority for the government.

Phase two of the strategy is scheduled to end in 1998. In the two years we have been here we have made dramatic cuts in every other program, but that is one program which has not been touched. We continue to spend $40.7 million a year on this strategy. That being said, we will continue to think of this as a priority, but we must reorganize the financing.

At this time we are working out the ways by which we can continue financing this very worthwhile initiative. We have at least until the next budget to announce exactly how we will reallocate funds to continue to support these very worthwhile programs.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the fact is that, in spite of the growing epidemic, the minister has not even managed to spend all the moneys allocated to her for the fight against AIDS. I ask her to rise in this House

and to promise on her honour to extend the strategy and to spend the funds allocated. This would be the best way for her to show solidarity with the victims, and I hope she will make that commitment.

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, every dollar is spent very carefully. As you know, the mere fact that we have a dollar in our pocket does not mean that we should waste it. This is why the government invests in good programs.

Mr. Speaker, I can tell you that the hon. member will be pleased to hear that at least half a million dollars will be allocated to programs in Quebec, including one in his riding. The hon. member should be thankful, instead of attacking us.

* * *

[*English*]

BANKRUPTCY AND INSOLVENCY ACT

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, I have a question for the Minister of Industry.

Recently Quebec's environment minister wrote to the federal Minister of the Environment suggesting amendments be made to the Bankruptcy and Insolvency Act to improve environmental protection. Can the minister tell me whether any action has been taken to prevent the dumping of contaminated buildings and worksites on local governments?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, last Friday I was very pleased to table a bill containing many amendments to the Bankruptcy and Insolvency Act, including ones that deal particularly with the issue the hon. member has mentioned.

This is the first time that the bankruptcy act has had provisions that have been intended to enable trustees in bankruptcy to take possession of assets that pose environmental risks.

We have given claims which stem from environmental damage priority over those of other creditors, both secured and unsecured, so that dealing with contaminated properties and properties that are adjacent to the property where the damage occurred and linked to the activity that caused the environmental damage will be able to be used as a priority claim in order to effect the clean-up. This will not only relieve some of the responsibility from local governments, but it will also ensure that trustees are willing to move in and take on some of these very difficult files.

JUSTICE

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, recently the Minister of Justice said that the primary objective of his department was for a fair and responsive system of justice.

• (1145)

It is over a year and a half since I asked the minister to review the Patrick Kelly case. Over two years ago the key witness in the case admitted she lied during the trial. This witness's false testimony put Mr. Kelly, a former RCMP officer, behind bars.

We could very well have put an innocent man in prison for the past 14 years. Now this witness, presently in the U.S., refuses to testify further.

What is the minister's department doing to ensure the interviews with this witness are completed in order that a section 690 review in the Kelly case can proceed?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am grateful to the hon. member for his question, for his continuing interest in this case which I know is genuine, and for his interest in the administration of justice.

Throughout the past months I have been advised by independent counsel I retained to help me with the assessment of this case. That independent counsel working with lawyers for the applicant, Mr. Kelly, and the witness have participated in interviews. There have been three attendances for that purpose.

I believe the work with that witness has now been virtually completed. I am awaiting a final report and recommendations from the independent counsel. I am keenly aware that time has past since the application has been brought, but I will publish with the eventual disposition of the case a chronology of the developments so that the member and everybody else can see for themselves how this case has been dealt with. I will of course take responsibility for that.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I appreciate the minister's response.

The minister promised in response to my earlier questions in the House to release relevant files to Clayton Ruby, Mr. Kelly's lawyer. However, the justice minister has been stalling for two years and refuses to provide the files required for Mr. Kelly's defence.

There is little reason not to release the files as the information being withheld from Mr. Kelly's lawyer was collected at public expense by a public agency for use in a public prosecution.

The minister has stated that he wants a fair and responsive system of justice. Will the minister stop stalling and release the files to Mr. Kelly's lawyer?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the release of those files has given rise to an issue with respect to the terms on which the release should take place. The files are not the property of the Department of Justice. They belong to the metropolitan Toronto police. They were made available to us on certain conditions.

The justice department has said in effect to Mr. Kelly's counsel: "We will allow you access to what we've been given but on certain conditions". Mr. Kelly's counsel has not found those conditions acceptable. He has taken another position. Quite properly he is acting for his client diligently. We are discussing the terms under which we will release the documents.

Our purpose is not to stall. Our purpose is to ensure that if and when we do release documents, we do it showing proper respect to their origin and to our obligations as custodian to the people who generated them. I am certain we will be able to work out terms acceptable to all parties and make them available soon.

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[*Translation*]

MARKETING OF 3TC

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Health. The Food and Drug Administration has authorized the marketing of a drug, 3TC, in the U.S. before Canada has authorized it, although they both received applications at the same time and although the drug was discovered in Quebec, at Laval. Worse still, in both the U.S. and Canada, examination of the drug submission was fasttracked.

How can the minister explain that fasttracking of drugs moves faster in the United States than in Canada, and that the Canadian fast track looks more like a secondary road than a super highway?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I can tell you we are hoping for a decision on this in the near future.

There is one thing that ought to be pointed out, which is that the Government of Canada ought to be receiving praise, along with Health Canada, for providing substantial funding to help in the development of this product.

• (1150)

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, the member speaks of hoping for a decision and I must point out to her that what she is hoping for, we are hoping for even more, but it is our impression that our hopes are often in vain.

Is the minister aware that the administrative slowness of her department has resulted in a mere 2,500 patients being able to benefit from this drug, whereas if 3TC obtained commercial authorization from Health Canada all of the people living with AIDS, four times that figure, could have access to it?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I shall repeat what I said. The scientists of Health Canada are doing their job, and they will be giving us a decision shortly. I believe, however, that the hon. member may not have her facts exactly right. The companies applied for drug approval in the U.S. first, before Canada. The Americans have just now given approval. Some time is needed for decisions to be reached on protocols that are not favourable. I believe the hon. member will not be disappointed. Health Canada is doing its job, and doing it well.

* * *

[*English*]

GRAINS INDUSTRY

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, unfortunately the Minister of Agriculture and Agri–Food is developing the reputation of being able to give nice, long, flowery speeches but not being able to make up his mind and he cannot meet his deadlines. Let us see if he can break this habit of indecision.

The minister's senior executive officer group, which is also called the May 16th group, has put forward a proposal to sell 13,000 hopper cars dedicated to the hauling of prairie grain by the railroads for $100 million.

Has the minister made up his mind? If he has it will be earth shattering. Has he made up his mind to accept the offer or reject it?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, one of the difficulties in responding to questions from the Reform Party is that its members consistently get their facts wrong. Once again the hon. gentleman has done exactly that.

He refers to a group within the grains industry called the May 16th group. He also refers to an advisory group of grains industry executives called the SEO group. The hon. gentleman should know those are two quite separate things. They are not one and the same.

The SEO group has come forward with certain recommendations about grain car ownership and grain car allocation procedures. Those recommendations have been presented for consideration to the May 16th group, as well as to some western Canadian farm organizations.

Those farm organizations are still in the process of considering the set of recommendations from the SEO group. Until I have the considered opinion of the farm organizations it would be highly inappropriate to make a final decision before getting their advice.

The hon. gentleman talks about grassroots political consultation and discussion. He suggests that we should get advice from farm organizations, but in his question he suggests that we make

a decision today which pre-empts the opportunity to get that advice through consultation, and that we will not do.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, we just saw an excellent example of the flowery speech and no decision whatsoever.

The minister is waffling. He is sending strange signals to the industry. He is not listening to those who have been putting input into the whole process. Maybe we can give him the benefit of the doubt. Maybe he is trying to get a better deal for farmers.

Is he proposing that if the railroads buy the cars, worth over $300 million for the fire sale price of $100 million, that the railroads will then agree not to increase the freight rates by the $1 a tonne which they are currently proposing? Is that what he is working for? Why is he delaying?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, what the hon. gentleman fails to appreciate is that the set of recommendations put forward by the group of senior executive officers in the grains industry is a package proposal which involves a number of recommendations that move in a variety of different directions.

He has spoken, for example, about the recommendation relating to the possible sale of hopper cars. What he has not referred to is the fact that another recommendation from that very same group of senior executive officers proposes that there ought to be some kind of maximum ceiling with respect to freight rates extending over a period of 10 years.

It is significant that the Reform Party has consistently opposed that kind of protection for farmers.

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THE ENVIRONMENT

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of the Environment.

• (1155)

The UN weather agency reported this week that the hole in the earth's ozone shield covers an area twice the size of Europe. The hole grew again this year at the highest rate ever, threatening the globe with increased exposure to deadly ultraviolet radiation.

What is the Canadian government doing to prevent the deadly environmental catastrophe of ozone depletion?

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Minister of the Environment will be attending the seventh meeting of the Montreal protocol which starts on Monday in Vienna.

She will be reinforcing Canada's commitment to an accelerated ozone layer program which has already been endorsed by the Council of Canadian Ministers of the Environment. This means working toward zero discharge of ozone depleting substances. It means phasing out HCFCs by the year 2010. It means continuing to work with Agriculture and Agri-food Canada on methyl bromide. Most important, it means a committed research program into alternatives to ozone depleting substances.

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[*Translation*]

PUBLIC SERVICE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is directed to the President of the Treasury Board.

The first quarterly report on job cuts in the public service indicates that so far Quebec has received more than 28 per cent of federal job cuts. This situation discriminates against Quebec, which, before the cuts, had only 19.3 per cent of federal public service jobs.

Considering that Quebec's under-representation within the federal public service has already caused it to lose more than 22,500 full-time jobs, what justification does the minister have for letting Quebec absorb more than 28 per cent of the cuts in the federal public service?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the cuts are proportional right across the country.

The first quarterly report of early departures from the public service are by and large on a voluntary basis. Some people went out under the early retirement incentive program. I do not think those numbers can be taken as any disproportion across the system. Overall the program is going quite well right across the country.

* * *

IMMIGRATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, last October the deputy minister of immigration signed a memorandum of understanding in Vietnam which allowed for the return of criminal refugees and immigrants from that country.

However, this week when the *Vancouver Sun* requested a copy of that memorandum of understanding, the department refused to give it to them because it could potentially damage bilateral relations.

Will the Minister of Citizenship and Immigration assure the House that the agreement will be made public forthwith and

explain to us what is in the memorandum of understanding which if it is made public might damage bilateral relationships?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the intent of the government is to seek as many removal agreements as possible so that individuals who are to be deported can be facilitated without any problems.

Through some diligent work, we have been able to obtain such agreements with Jamaica and Vietnam, among others. We were the first country to return individuals to Laos.

We have often heard from members of the third party about the whole question of trying to get these removal agreements and that we would never be able to obtain them. Now that we have them, they ask if they can see them.

In respect to the agreement we signed with Vietnam, it was at Vietnam's request that the agreement be kept confidential. The government and the department have no difficulty if the Vietnamese government agrees to make it public. We have no concerns whatsoever. It is at Vietnam's request and we have respected the confidentiality.

However, the question at the heart of this is the importance of removing individuals who should not be here in the first place. That is being done.

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HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Health.

Today on World AIDS Day, she will know that there has been great concern about the prospects for long term research into the area of HIV and AIDS.

• (1200)

The funding at this point goes to 1998, but the minister will know that research has to be done in a longitudinal manner over a period of time. Would the minister today state specifically what her plans are to ensure that there is a long term plan and strategy in place for AIDS research?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I appreciate the hon. member's question because it is a very serious matter, which we are working diligently to address.

We hope to have some resolution to that question and ensure there is ongoing funding within Health Canada for research and programs having to do with AIDS and HIV. It is something we will hopefully have resolved within the next few months.

FUEL ADDITIVES

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of the Environment.

Next Monday, December 4, Ethyl Corporation in the United States is to start shipping MMT to American refiners for use in gasoline. Having regard for the fact that the environment department has talked of the absolute necessity of uniform gasoline standards between Canada and the United States, can the parliamentary secretary tell us what uniform standards we are going to follow in Canada? Is it going to be with MMT or without MMT?

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the reason we have proceeded with Bill C–94, which is presently in third reading in the House and which would ban MMT, is essentially an environmental reason. MMT impairs catalysts and sensors in modern automobiles, which are supposed to lead to cleaner fuel emissions.

We want to ban MMT and follow the lead of states such as California, New York, New Jersey and Illinois, which are using reformulated gasoline without MMT. This is the option we have chosen, to use cleaner burning fuels, to use reformulated gasoline. So we are going to be committed to working very hard to make sure Bill C–94 becomes a reality very soon.

* * *

POINTS OF ORDER

DISTINCT SOCIETY MOTION

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise on a point of order with regard to the amendments relative to the distinct society motion. I am not pressing you for a timetable, but I was wondering if you could indicate to us whether you have a time line as to when you will be advising the House with regard to your ruling.

The Speaker: I have instructed the clerk of the House and our researchers to go over it. I wanted to take my time on this, as I believe it will be reintroduced next week. You will have my decision before we take up the debate again.

ROUTINE PROCEEDINGS

[*English*]

WESTERN ARCTIC INUVIALUIT CLAIM IMPLEMENTATION

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 the 1993–1994 annual review of the Western Arctic Inuvialuit Claim Implementation Commission.

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 eight petitions.

* * *

NUNAVUT IMPLEMENTATION COMMISSION

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 the 1994–1995 annual report of the Nunavut Implementation Commission. Also under the provisions of Standing Order 32(2), I have the honour to table in both official languages copies of the comprehensive report of the Nunavut Implementation Commission, "Footprints in New Snow".

* * *

• (1205)

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 106th report of the Standing Committee on Procedure and House Affairs concerning the membership of the Standing Committee on Justice and Legal Affairs.

With leave of the House, I intend to move for concurrence in this report later this day.

* * *

EMPLOYMENT INSURANCE ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved for leave to introduce Bill C–111, an act respecting employment insurance in Canada.

(Motions deemed adopted, bill read the first time and printed.)

[*English*]

UNEMPLOYMENT INSURANCE ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): moved for leave to introduce Bill C–112, an act to amend the Unemployment Insurance Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

STANDARDS COUNCIL OF CANADA ACT

Hon. John Manley (Minister of Industry, Lib.): moved for leave to introduce Bill C–113, an act to amend the Standards Council of Canada Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

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 106th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

PETITIONS

GOVERNMENT SERVICES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, this petition is from movers or those involved with the industry.

They want the government to examine very carefully its policy with regard to household goods removal services. They obviously want to ensure a good deal for Canadian taxpayers. At the same time, they want a solution that will not destabilize their industry, their involvement, their small businesses.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition that has been circulating all across Canada. This petition has been signed by a number of Canadians from Formosa, Ontario.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is

an honourable profession, which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

• (1210)

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

ALCOHOL

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have a second petition which has also been circulating across Canada. It has been signed by a number of Canadians from Sarnia, Ontario.

The petitioners bring to the attention of the House that consumption of alcoholic beverages may cause health problems or impair ability, and specifically that fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore pray and call on Parliament to enact legislation to require health warning labels to be placed on the containers of all alcoholic beverages to caution expectant mothers and others of the risk associated with alcohol consumption.

YOUNG OFFENDERS ACT

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36, today I am pleased to present two petitions sponsored by Sun Hope in memory of André Castet, with over 500 signatures from the residents of British Columbia, many in my own riding of Port Moody—Coquitlam.

These Canadians express the need for substantial revisions to the Young Offenders Act and reject the tinkering and posturing of the government in legislation and its inactivity such as we see in Bill C–37.

AIDS

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, on this World AIDS Day I am honoured to present a petition signed by over 3,200 Canadians from every region of Canada.

The petitioners call on Parliament to consider a program of long term stabilized funding of AIDS research proportionate to the HIV population in Canada. Canada ranks third among G–7 countries in its incidence of HIV but ranks last in AIDS research funding.

I fully concur with the request of these petitioners.

IMMIGRATION

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I have the honour, pursuant to Standing Order 36, to present the petitions of 1,000 Winnipegers from my constituency of Winnipeg North and beyond who pray that the surety bond be not imposed on applicants for immigration and as well to have the landing fee collected at the time of the issuance of the visas of applicants.

They remind members of the House that immigrants provide a strength for our economic and social fabric.

BOVINE GROWTH HORMONE

Mr. Russell MacLellan (Cape Breton—The Sydneys, Lib.): Mr. Speaker, I would like to bring forward a petition from a great number of people in southern Ontario who are opposed to the approval of synthetic bovine growth hormone, the drug injected into cows to increase milk production.

They say there have not been sufficient studies to warrant this process, that there is a great risk to the health of people, not to mention the damage to the cows. Australia, New Zealand and the European Community have refused to approve BGH.

The petitioners want Parliament to take steps to keep BGH out of Canada through legislating a moratorium or stoppage of BGH use and sale until the year 2000 and to examine the outstanding health and economic questions through an independent and transparent review.

HEALTH CARE

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I am pleased to present a petition signed by 182 residents of British Columbia, forwarded to me by Mrs. Margaret Wiens of 100 Mile House.

These petitioners call on the government to enact immediate legislation for freedom of choice in health care such as full integration of alternative practitioners, homoeopathic, herbal, naturopathic, et cetera, into the Canadian health care system with full and equal coverage for visits and necessary remedies.

* * *

[*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 Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1215)

[*Translation*]

CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of the motion.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, it is with pleasure that I rise today to speak to the House on Bill C–110.

I have heard in recent days the speeches of a number of our colleagues in the Liberal Party and the other opposition party. I realized that I should perhaps offer a somewhat broader criticism of the bill.

Those who spoke from the Bloc Quebecois very successfully pointed out the extremely limited nature and scope of what is being called a sort of veto power, which will be loaned to Quebec and certain regions in Canada, so we can say that the Prime Minister has begun to fulfil the promise he made to Quebecers in the final days of the campaign.

I would like to make clear that the issues of the veto, the distinct society and the transfers of jurisdiction, do not only involve constitutional change. These issues are at the heart of what we Quebecers see as Quebec's destiny.

This week a paper reported a survey. Canadians in Quebec and elsewhere were asked about their perception of Canada, their vision of its future. Basically, they were asked whether, in their opinion, Canada comprised two groups, was the union of two equal language groups or was the juxtaposition of 10 provinces forming a country. The results differ significantly according to whether they come from Quebec, the west, Ontario or the Atlantic provinces.

I think this survey takes us to the heart of the debate, which involves defining Canada What was it in the past? What is it now? We see that Canadians are not agreed on how they view their country. We see that 64 per cent of Canadians believe basically that Canada is the union of 10 provinces. Twenty–four per cent think it is the union of two equal language groups: anglophones and francophones.

These figures are surprising. Yet, when we look at the distribution by region and province, we see that the split is quite substantial, even dramatic. We see that 70 per cent of Ontarians, 73 per cent of Maritimers, and 76 per cent of the people in the prairies think that Canada is the union of 10 provinces. In Quebec, however, 42 per cent of the people see Canada as the union of 10 provinces, 37 per cent as the union of two equal linguistic groups, and 15 per cent as neither.

These figures—42, 37 and 15 per cent—remind me of the results of some polls conducted during the referendum campaign. Some of the polls, perhaps those taken at the beginning of the campaign, showed that 42 per cent of respondents intended to vote no and 37 per cent to vote yes, with 15 or 20 per cent undecided.

As these figures demonstrate, the heart of the problem with Canada and Quebec is that Canadians and Quebecers do not see Canada in the same way. That is why we in Quebec talk about a veto, why we see this reality as important.

• (1220)

If we look at the people in the rest of Canada, we realize that they do not see all this as important. I have not heard people from B.C., Ontario or the Atlantic region say that they should have a veto on constitutional changes in Canada. Only Quebec makes this demand.

Why is Quebec making this demand? Because Quebec is basically a people who want to preserve their identity, who want to continue to be themselves. That is the reason why they want to have a say in any constitutional change. That is what lies at the heart of the debate on the right of veto.

It does not matter to us if this will be done this way or that way, if B.C. will have the same veto power as Ontario, if the Atlantic provinces will have a say, if Prince Edward Island will make special demands. To us, veto power is a matter of defending our distinctive culture, of defending what makes us a people. That is why, in the 30 years I have been following politics, Quebec has always had problems with respect to the right of veto. Not because we want to make trouble for Canada, but because it touches the very essence of who we are.

As you may recall, in the 1960s, there was the proposed constitutional amending formula called the Fulton–Favreau formula; there was the Victoria formula; there were the protests by certain Quebec movements when the Constitution was patriated. We were reminded yesterday that Quebec sovereignists voted against the Meech Lake accord. Just as well, since Meech was some kind of a reorganization of Canada designed to satisfy the very minimal demands put forward by the then Premier of Quebec, and those demands did not reflect in any way what I feel Quebec's basic needs are.

On the one hand, there were those who had a blueprint for nationhood and, on the other, there were those with nothing better to offer at the time than some vague revamping of the Canadian Constitution. In that context, I think that we sovereignists had a right—we did not have a choice really—to oppose this constitutional revamping.

I am puzzled about some of the attacks on us, when I hear people say about certain Bloc members: "So and so, who was sitting at the Quebec National Assembly at the time, voted

against the Meech Lake accord". It is a good thing they did, because this accord was a way for the federalists, who do not recognize Quebec as a people, to revamp the Constitution in the hope that, slowly but surely, we would all die off and disappear.

That is why, when we Quebecers are offered amending formulas, our gut reflex is: "Watch out. Red alert. They are dealing with fundamental aspects that make us what we are". We want to remain what we are and, in the future, to develop our own identity, which makes us a part, as we see it, of the world community.

That is why, whenever the concept of a distinct society, a veto or administrative transfers are brought up, we consistently oppose them, because we believe that our future is in building in North America our own sovereign country, in order to be able to establish normal state–to–state relations with other peoples: the people of Canada, the people of the United States and the people of other sovereign countries of the world. That is the crux of the matter.

I can understand why many of our colleagues, members of both the government party or the third party, are tired of hearing our arguments because they take the same view of this issue as the other Canadians who tell us that Canada is a juxtaposition of ten provinces.

• (1225)

I can understand that they are tired of our arguments, of listening to us. I hope that, in the years to come, an agreement can be negotiated on new terms so that, in a spirit of mutual respect, we in Quebec can remain who we are and English Canada can continue to develop as it pleases, without either of us interfering with each other's growth, as the people of Canada and the people of Quebec.

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, I am pleased to address Bill C–110, which I will refer to as the veto act. First, let us ask ourselves this basic question: Who speaks for whom, in Quebec? Let us look at that question in the context of the House of Commons.

Members of the Bloc Quebecois keep saying: "We are the ones speaking for Quebecers". I am sorry, but there are also Liberal members representing Quebec ridings. There are 20 of us here who speak for Quebec. Furthermore, an independent member, who sits next to me, as well as a Conservative member, also speak for Quebec. Therefore, Bloc members are not the only ones representing Quebec's interests in this House.

Let us not forget that Quebecers voted no in the referendum. Consequently, it is the Quebec Liberal members of this House, not the Bloc members, who won the referendum, albeit by a narrow margin. As member for Brome—Missisquoi, I can certainly speak on behalf of the majority of Quebecers who voted no.

It is true that those who voted no also expressed a strong desire for change. Not a desire to separate, but a desire for change. Even a leader of the yes side, Mr. Dumont, says so in today's issue of *La Presse*: "If Quebecers had said yes, we would be in the process of implementing the plan that had been drawn up. However, this is not the case. The no side won by pledging to make changes. Let us see what they have to offer. This is not my first choice, since I was on the opposite side during the referendum campaign".

The Leader of the Action Démocratique does not think that his party members will reject his position. He adds: "Our post–referendum strategy is simple. We must look after our economy and our public finances. As for Ottawa, it must define the changes promised during the campaign. We will let them work and, if they make a proposal, we will look at it". So, the desire for change expressed during the referendum campaign is definitely not a desire to separate.

The changes that people are asking for from their federal elected representatives are changes that affect them. They are not changes that would make Ottawa or Quebec bigger, but changes that reflect people's needs. This is what is important. Those who count are those who sent us here. We are accountable to them. But what changes do these people expect from us?

As I see it, there are two types. One year ago, I was campaigning to represent my party in Brome—Missisquoi. Then the by–election took place, followed by the referendum. In that one year, I spent more time campaigning in Quebec than I did in this House.

• (1230)

I talked to a lot of people during the past year. What kind of changes do people want? There are two kinds. First, a change in the way we do things and second, recognition of our way of life.

First, the way we do things. When you go out and meet people, they tell you: "We are fed up with taxes. We are being taxed out of existence. We are fed up with bureaucracy and red tape. So why not let Quebec and Ottawa get together and see whether something can be done about getting rid of all this duplication? Why not give a little more power to the private citizen?" People want to be involved.

As for recognition of our way of life, I think that is what people want, along with recognition of Quebec's language, culture, legal traditions and institutions.

A resolution was presented in this House to recognize the people of Quebec as a distinct society. A bill was introduced more or less at the same time—the bill we are debating now—that gives veto powers to Quebec and other regions in Canada. It is not perfect, but is perfection possible in this world? Is it be better to entrench this in the Constitution than to have a bill? Yes, it would be better. Soon, in 1997, there will be a meeting of provincial premiers. Yes, it is better.

Would it be better to have more rather than fewer regions? I am not sure. But I do think the government has made a very good start by putting something on the table quickly after the referendum.

So what do we do now? What do we do? After the veto bill we are debating now is adopted, we will see if by 1997 we can reach a consensus within this country, within Canada. We will see whether we can constitutionalize, perhaps by 1997 or whenever, the concept of distinct society.

But, as I said earlier, the citizen comes first. We will have to prepare a package of changes, changes that are crucial and thorough, and we will have to do it now, but we should keep it simple: look at duplication, decentralize administrations and standardize paperwork. I think we should go for solutions that have a direct impact on the public.

We must also make the citizens of this country proud to be Canadians. And part of that is teaching Canadian history in our schools. Part of it is young people knowing the words of our national anthem. Part of it is flying our flag everywhere. Part of it is encouraging Quebecers to meet people and travel in other provinces and vice versa.

The veto powers we are discussing today are like the oil I put in the hydraulic system of my backhoe so I can raise the shovel.

It is important that all of us in this House, irrespective of our political affiliations, have only the interests of the citizen at heart.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, this speech is not directed at the individuals in the House. It is directed at the people of Canada. The crisis we face today supersedes politics. It supersedes the gamesmanship we see in the House. It supersedes what goes on in committee. It is an issue that affects the very soul of Canada.

• (1235)

Never in the past 50 years has there been such a crisis in our midst, a crisis that will change the face of the country we know and love. Never have we needed leadership more but never have we seen such a dearth of leadership. It almost caused the country to fracture last October 30.

The current proposals in Bill C–110 are ineffective. They are meant to appease the separatists within this House and they are meant to appease the separatist leaders in Quebec. The separatist leadership wants one thing and one thing alone: a separate, independent Quebec.

Anything the government does is going to be ineffective. Therefore the proposals the government makes must not be addressed to the separatist leadership, not to the separatist party, but to the people of Quebec. That is the intent of what we are trying to accomplish here. We are trying to keep the country together, not for politicians, not for political parties, but for the people of Canada.

The fundamental overriding principle of being Canadian is equality for everyone. If we do not have equality for all of us then we have equality for no one. It is something that Canadians have fought for in two world wars, which the brave men and women in our armed forces fight for today, peace and equality in far off lands.

To the people of Quebec I say you are afraid of losing your culture, you are afraid of losing your language. You do not wish to become like the French culture in the southern United States. But your culture is important to us, your language is important to us. It enriches each and every one of us.

In the same vein our culture, our history and the culture and the history of the multiple ethnic groups that make up Canada must be important to you too. We in the Reform Party have proposed that culture and language be given to the provinces, all of the provinces, including Quebec. Here you can be the masters of your own cultural and linguistic destinies.

You are fed up with unnecessary duplication, you are fed up with unnecessary interventions by Ottawa. But so is the rest of the country. That is why in order to reduce waste and save taxpayers' money we have submitted proposals to decentralize various areas such as natural resources, manpower training, housing, tourism and such.

The people of Quebec are fed up with the high federal debt, but so is the rest of Canada. Understand one thing. If Quebecers leave Canada they must understand very clearly that they will walk away with their share of the national debt.

To the people of Quebec I say you are fed up with taxes which go to Ottawa and are wasted, but understand that so is the rest of Canada. The rest of Canada has the same interests that the vast majority of the people of Quebec have. It would be a shame to have the people of Quebec separate from Canada over an eventuality that will come to pass anyway. In most ways the same desires of the people of Quebec are shared by people in every province within our country. I ask them to work with everybody else in order to accomplish this.

The separatists want to secede to preserve the Quebec culture but they can only do this by preventing non–francophone people from coming into Quebec. That is why they want to control immigration. That is their intent. They want to create a pure laine population. Fantasy? Hardly. Bloc Quebecois members previous to the referendum

said that the only true Quebecer is one that is a member of la pure laine.

This was confirmed by racist statements made by Mr. Parizeau and Mr. Landry that blamed them for the failure of Quebec to succeed in the referendum. They put that responsibility on the shoulders of hardworking immigrant populations in Quebec. Accidental? Not at all. They want to drive the immigrant population from Quebec to increase, relatively speaking, the yes vote for separation.

However, the people of Quebec do not want this. The people of Quebec are not xenophobes. They are not intolerant. They are not racist. Their leaders are but they are not. This is something they need remember. They would be embarrassed to know some of the things that have been said by some of their leaders.

• (1240)

I ask the people of Quebec why investors would want go to Quebec to start companies and create jobs in a climate of obsolete economic ideas, an enormously high debt and intolerance.

This brings me to the motivation of the separatist leadership. They warp history. They lie about economic facts. They muzzle their own people which prevents them from getting the facts. Why are they doing this? They are doing it for their own gain and the gain is power. It is power for the separatist leadership in Quebec and has nothing to do with benefiting the average citizen in Quebec.

The pursuit of the separatist leadership in Quebec has very little to do with the people of Quebec. The leadership knows its actions and activities are just going to drag down the average citizen in Quebec. Those who will be hurt the most are those who are the poorest in that province.

We agree with the people of Quebec in wanting to be the masters of their own linguistic and cultural destinies for it is their culture and their language that enriches us all. We are, after all, a part of a multi–ethnic mélange of different groups. French history is a part of our history and is a fundamental, important and integral part of Canada.

Canada needs leadership and it needs it now. It needs leadership to put this issue of Canadian unity beyond the realm and the arena of politics. If this issue is left to the politicians it will be lethal for Canadian unity. All the people of Canada must understand that.

I implore and beseech the people of this country to come together, francophones, allophones, anglophones, all the ethnic groups, all the cultures and all the languages, under the umbrella of understanding and tolerance. It is something that all Canadians are proud of. From outside Canada it is how we are seen. We are looked at as being a country that exhibits the best examples of culture and tolerance.

However, if ever there was a need for us to demonstrate this to its greatest extent it is now. We must all come together. Anglophones must travel to Quebec. Quebecers must travel into the rest of Canada to see the importance of having our cultures united, not separate.

There is no reason why the people of Quebec cannot have what they asked for in terms of preserving their culture and language in North America. The rest of Canada does not want that to be lost, it wants it to stay. It wants it to stay in the framework of equality, respect and tolerance for all Canadians.

Quite frankly, the policies that have been put forward in Bill C–110, rather than bringing people together, are actually divisive. The people in the rest of Canada see this as a way of making them second class citizens. I hope the people of Quebec understand this. They want nothing more than to be equal with Canadians and with Quebecers. They want nothing more and nothing less.

Canada is the greatest country in the world. It is a land of tolerance and unity. It is made up of a mélange of different ethnic groups of which the French Canadian heritage and culture is one of the most important. I ask the people of Quebec, not the politicians, to join us in unity to build a stronger, united Canada for all people.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I am pleased to speak on the Prime Minister's unity initiative. I will address the distinct character of Quebec, the fact that it is different which is an obvious and inevitable reality. There are four simple and straightforward truths members of Parliament must keep in mind during this debate.

• (1245)

The first truth is very clear and it must remain at the heart of our debate: Canada is the best country in the world in which to live. Today we are discussing our future. We are discussing evolution. Anyone can discuss whatever they want in this land because we live in the most free and democratic country in which all of us are equal citizens with equal rights.

The second truth is that the Prime Minister, the government and Parliament have a duty to preserve the unity of Canada as a nation indivisible.

The third truth must be obvious to every member of Parliament. Canadians have called for change and they have called for change based upon goodwill, change based upon reaching out, change based upon open arms, open minds and open hearts. As a member of Parliament from Montreal, I saw this reality with my own eyes, particularly during the unity rally in our city.

The fourth truth is that the Prime Minister of Canada keeps his word. The Prime Minister said he would introduce measures to declare Quebec a distinct society and to offer a constitutional veto and Canadians know that they can count on him to do exactly what he promised to do. He is a man of his word and he has done it. Now we must move forward to close the gap, to bridge the gulf that seemingly divides.

This resolution is not about every person or every province or every political party demanding to get its own way. This legislation is about Canada and Canadians finding a better way.

Mr. Leroux (Richmond—Wolfe): Comme en 1982.

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Oh, oh.

Mr. Leroux (Richmond—Wolfe): Pendant des années.

Mrs. Finestone: This resolution is about Parliament showing leadership by saying we will take another step in finding understanding. We will take another step in recognizing the reality of Canada. We will demonstrate that we are determined to keep faith—

An. hon. member: Oh, oh.

Mrs. Finestone: Listen, do you guys want to have a fight?

We will demonstrate that we are determined to keep faith with both the heritage and the potential of our wonderful country.

We recognize that Quebec is a province with a legal system that is not based on common law, but on the civil code. It is the home of a diverse population of anglophones, allophones, and a majority who are French speaking Canadians who are also diverse. We will not just talk about good intentions. We are building trust by acting on those good intentions. This measure before Parliament is based on the reality of Canada.

Unfortunately, as all Canadians know, anything proposed by the Government of Canada will never go far enough to satisfy the Parti Quebecois or for that matter the Bloc Quebecois. Equally unfortunate, anything proposed by the Government of Canada will never go far enough to satisfy the Reform Party. Those people will never be satisfied.

Thank goodness this debate is not about keeping those people happy. This debate is about keeping Canada together. This debate is about satisfying the people inside and outside of Quebec who understand that the me generation has passed and the we generation has arrived. It is no longer about cutting the best deal for yourself. It is about reaching the best solution for the future of our country. It is about building the new Canada. It is about standing proud and tall for the maple leaf. Canadians from coast to coast to coast must rise above their differences and realize that there is so much more that unites than that which divides us.

[*Translation*]

We have experienced many problems throughout our history but have always found a way to resolve them, for we understand that compassion is far more humane than conflict.

We understand that tolerance is far superior to intransigence. We understand that allowing our fellow citizens to reach their full potential does nothing to diminish us. Canadians know that we cannot build a big country on small minds.

• (1250)

[*English*]

Canadians know we cannot build a big country on little minds.

[*Translation*]

Canadians are not expecting miracles, nor are they looking for heaven here on earth. But they are entitled to expect that the Parliament of Canada will do its utmost, will take the right actions, will adopt the appropriate principles, in order to recognize the modern reality of Canada and to show its true commitment to strengthening the ties among the members of Canada's diversified population.

[*English*]

I hope that Quebecers and non-Quebecers alike will urge members of Parliament from all parties to keep the big picture in mind. I hope they will urge members of Parliament to take meaningful and realistic steps toward progress.

Canadians are people of moderation and modesty. From time to time we are also a people of passion. We try always to be people of principle, of fairness and of optimism. Throughout their history Canadians have overcome their differences and succeeded beyond the wildest dreams of the founders of this nation. We did it in the end after much reflection by appealing to the better side of our nature as human beings and by acting on the better side of our nature as citizens.

Recognizing Quebec as a distinct society, providing a new constitutional veto and bringing government closer to the people are the vital and important issues. Those are the proposals which the government is moving to turn into reality. What is at stake is keeping our word, keeping faith with the dreams of Canadians, re-energizing our national unity and revitalizing the very best country in the world.

When political discourse becomes invective, when rhetoric over reality becomes overheated, it begets intolerance, instability and fear. When political leaders target identifiable groups—and we have had more than enough of that—when they blame specific communities, they are offensive and they fuel exclusion, anger and resentment. They are a blot on the good name, the goodwill and the respect we have built for our society both here in Canada and around the world. When bigots like Pierre

Bourgault and his ilk spew their invective, they show that they have no place in our caring society.

I know that the vast majority of Quebecers reject those exclusionary, racist remarks and recognize that we as Quebecers, including some of you on the other side, are all welcome, we are all included and we are all equal, with equal rights, and that our vote will be respected. We too have contributed beyond measure to the growth, development and well–being of all Quebecers.

I want this understanding of the fair sharing in Quebec to be appreciated. I am a Quebecer. I am proud of my difference. I am not better, I am not worse, I am just different. That is what makes me distinct and that is what makes all of us distinct in Quebec. The environment has formed us in many ways.

I call on all Canadians to join with us in recognizing that despite our diverse geography from the Atlantic to the Rocky Mountains, our many cultures and the aboriginal peoples of our two official languages, we are one country. It is by extending our hands of welcome to one another, by rejoicing and appreciating our differences and our diversity that we grow and prosper. It is through our civility and the unity of all Canadians that we ensure a bright future for our children, for our community and for our country.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I would like to begin my speech—in the hope that the member for Bonaventure—Îles–de–la–Madeleine, who is my deskmate, will do me the honour of going along with my line of reasoning—by proposing that we try to imagine what it would be like if we had André Laurendeau, Lionel Groulx, Hubert Aquin, Robert Bourassa and Claude Ryan sitting in opposition.

• (1255)

I named these people, because each and every one of them, at some time or other, has been involved in the process of constitutional review, in different ways of course. I, myself, have been very interested in the process of constitutional review. It has enabled me to pursue my studies. The process of constitutional review arose from the 1960s idea that the Constitution had to be reviewed.

I would say that, for Quebec, the process of constitutional review between the 1960s and now has had two main thrusts. The first, I believe, applies to the entire Quebec family. Both the provincial Liberals and the slightly more nationalist folks acknowledge that reviewing sections 91 and 92 on the devolution of power is what counts in the constitutional review.

This is particularly true, because, as you will remember, in the early 1960s, with Jean Lesage, there was a movement in English Canada to patriate the Constitution and give it an amending formula, because the 33 Fathers of Confederation had not thought of giving it one. Jean Lesage and Jacques–Yvan Morin, and others after them, felt sections 91 and 92 had to be reviewed first, before the question of patriating the Constitution was dealt with. This then is the first thrust, which remains extremely important today, and, obviously, we can see we are a long way from it with Bill C–110.

The second and possibly the most important thrust—and that is why I referred to the man who, in a way, is like the father of the Bloc Quebecois, namely André Laurendeau, who, you may recall, was elected to the National Assembly in 1944. André Laurendeau took up the challenge of Prime Minister Pearson—to whom some people do not hesitate to liken our current Prime Minister—and quit *Le Devoir* in the early 1960s to co–chair the Laurendeau–Dunton commission.

This royal commission is no doubt the true testament to Quebec nationalism. For the first time in a constitutional document—and I am referring here to the preliminary report tabled in 1965, commonly called the white paper—André Laurendeau and his fellow members of the commission urged English Canada to recognize the co–existence of two nations in Canada. There is a sentence in the white paper that is a important as it is short, on which I wrote my graduate thesis, and I would like to quote it today. André Laurendeau was truly a visionary when he said: "Out of disappointment will come the irreparable".

Of course, the irreparable is Quebec's sovereignty. Around 1965, sovereignty was in a latent, embryonic state in Quebec. Now, 30 years later, 30 years after André Laurendeau tabled his white paper, we are debating a bill introduced by a Liberal government, which will not even recognize Quebec as a nation. That is what is so tragic in all this. No constitutional talks can take place without first recognizing that, in this country, we have two nations, which are equal in fact and in law. We must work to ensure that these two nations can start talking.

For those who belong the same school of thought as I do, the best way to open a dialogue is, of course, sovereignty or a sovereignty–partnership formula. Those from another school of thought, whom I respect and who won the October referendum, think that something can be worked out within the federal system. There is something that I cannot figure out about federal strategists. We cannot begrudge the current Minister of Justice. He is a rather nice man, a distinguished mind, a rising star in the Liberal camp. We cannot hold a grudge against him for not fully grasping the finer nuances of the constitutional debate.

How can the Prime Minister, who has been a member of this House since 1967—long before you, Mr. Speaker, became a member, if I am not mistaken—who has been a key player and a key witness in this constitutional review process, think that some Quebecers will be satisfied with an administrative bill that

will not, of course, be entrenched in the Constitution, and that only offers a possible right of veto.

• (1300)

A veto is, of course, important. We used it when Jean Lesage was tempted to accept the Fulton–Favreau formula requiring the unanimous consent of the provinces, and when Robert Bourassa was also tempted to accept the 1971 Victoria Charter, which is different from what we have before us today and which is sometimes compared with what is being offered today. As you may recall, Victoria would have given back to Quebec all of its powers over language, as the Pepin–Robarts Commission did a little later.

How can anyone on the side of the government majority think that any Quebecer—whether on the Daniel Johnson team, on the Jacques Parizeau team, or with any lobby in Quebec—will say yes to a proposal like this one?

The government has put itself in a very awkward and unenlightened position, in my opinion, by forcing the loyal opposition, one of the best oppositions this government has ever known, to say no. I know that the hon. member for Glengarry—Prescott—Russell will understand that the minimum requirements for reviewing the Constitution cannot be any less than what was proposed in the Meech Lake accord.

As you know, the Meech Lake accord contained five minimum requirements. Personally, I would never have voted for the Meech Lake accord, because, even though it was a bare minimum, it did not provide the essential, namely Quebec's recognition as a nation and, more importantly, it did not provide any additional power to Quebec, while also being tragically silent on the language issue.

But let us presume that everyone is acting in good faith and is trying to engage in a dialogue. How can the Prime Minister and his team possibly think that Bill C–110 is sufficient, considering that the five conditions included in Meech were an absolute minimum?

Meech also sought to ensure that the Supreme Court played a role in a balanced Canadian federation, and therefore, to restore that balance, Quebec must be represented by judges who reflect its civil law tradition.

There was also the idea, which is probably the most important one for us but is also important for English Canada, that the federal spending power had to be clearly defined, since a number of experts agree that there is a direct link between the use of that spending power by the federal government and the current deficit.

I respectfully submit, out of respect for the past, that if those whom I named were here now, including Claude Ryan—and I do not know how he is perceived by this government—none of them, and they all sought to protect Quebec's interests and future, would agree with Bill C–110. I hope the government reviews its position and comes up with something more substantial, so as to launch a true dialogue.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): I am pleased to speak this afternoon on this three–part initiative of the Prime Minister.

The first part is to provide a regional veto to the four regions of the country, in addition of course to the veto the provinces already have. This initiative will also acknowledge Quebec as a distinct society and will, of course, be in line with the government's indication of its intent to step up efforts to reduce duplication. Today we have seen the Minister of Human Resources Development take the first step in that direction since the Prime Minister's announcement.

• (1305)

Of course, long before the Prime Minister's announcement, our government had already begun these initiatives and, since we became the government, a number of administrative agreements have been signed with all of the provinces, Quebec included, but of course there have been very few of those since the separatists came into power in Quebec.

I would like to start by stating my position for you within this debate at this time. As a number of hon. members are aware, I am a Quebecer by birth, who represents an Ontario riding. I have served at the municipal, provincial and federal levels, and have been in office at one level or another for over 19 years now. I am one of those who voted for the Meech Lake accord and the Charlottetown accord. I will vote for Bill C–110 and the recognition of Quebec as a distinct society, which is fully justified.

We heard certain separatist members complain that the Meech Lake accord had not been adopted and denounce the fact. Yet, some of them—in particular their House leader—had voted against the Meech Lake accord and the Charlottetown accord. Other separatists say they have resigned themselves to making do without it, often forgetting that they had campaigned and voted against the Charlottetown accord.

In a few days, if I may make a prediction, if these people do not understand more than they do today, they will vote against Bill C–110, against distinct society, confirming in so doing they are not interested in progress and do not want Quebecers to improve their situation. They want no such thing, they simply want to build up an empire for themselves and act as emperors, but they will never succeed in doing so.

Members opposite, the Bloc members and to some extent, I am sad to say, certain Reform members—I repeat to some extent, because they do all think like this—seem to be wanting to put an end to our country as we know it.

Why is that? We live in a country that, four years out of five, has been described as the best in the world by the United Nations. Members opposite are shaking their head, saying it is not enough. I personally heard the opposition leader saying Canada was a kind of experiment which had failed from his point of view. According to whom? While even the United Nations cannot find a better place in the world, members opposite want us to emulate another country. Which country will we imitate? Even the UN has not been able to find it yet. But the members opposite claim that this is all worthless. They say they have a better solution.

As I said, I live in Ontario, I am a Franco–Ontarian by adoption, even though I was born in Quebec. I am still a French Canadian. I must tell you that the way the members opposite refer to the rest of Canada which they call "English Canada"—I heard the member for Maisonneuve use this phrase today in his speech—is a real insult to my constituents. I have told you repeatedly, this expression is insulting.

When francophones outside Quebec showed up for a demonstration they had dubbed "Poof, the francophones!", mimicking the member for Rimouski—Témiscouata, it was in part to denounce the fact that we, the one million francophones, such as the member for Nickel–Belt, myself and all the others who live elsewhere in Canada, were called English Canadians.

• (1310)

This is the way the members opposite want to portray Canada: an entirely francophone Quebec and the rest of Canada completely anglophone. This is the way they look at it and its is wrong.

The member for Argenteuil–Papineau, who is in front of me, knows full well that when we go to the shopping centre in Hawkesbury, the people we can hear speaking English probably come from his riding. In our area, anglophones are by definition Quebecers from the Harrington and Lost River areas, who come to shop, and francophones are Ontarians.

That is our reality. Does the Bloc talk about these million Quebecers whose first language is not French? Does it talk about Franco–Ontarians and francophones outside Quebec? Bloc members say that we have disappeared. They said: "Poof, the francophones outside Quebec!" No, the Bloc members will not make us disappear. They will not.

The worst insult I heard in all my career in this House came the day when the leader of the Bloc Quebecois went to Acadia to tell Acadians that he would build schools for them when Quebec became a different country. What an insult for Acadians, who have survived and grown for 200 years in this country. And how pretentious of the Leader of the Opposition, who thought he could go to Acadia to tell Acadians a thing or two. Well, they fixed him. They told him to go back home. That is what some Acadians said, rightly so, and the members opposite know it. And Franco–Ontarians told the member for Rimouski—Témiscouata and the others: You do not want to have anything to do with us francophones outside Quebec and your words prove it.

[*English*]

Why does United States have twice as many people of francophone origin than Canada and virtually none of them speak it any more?

Could it be that Canada has been a country where the French language has been able to develop quite well and that the reverse was true in the United States? Could it be as well that we as francophones living outside Quebec, and I am one of them, have been able to have our language develop because there is a critical mass of francophones in my country known as Quebec? Yes, that is the reason.

[*Translation*]

And today, if we were in Louisiana and we were 60 years old and more, we would be speaking French to each other. If we were in Louisiana and we were 40 years old, we would say a few words in French. And if we were 20 years old and someone would talk to us in French, we would say: "What?"

That is what happened in Louisiana; the French language survived for 200 years only to disappear with the television era. But that did not happen in Canada. I still speak French to my children and they will speak French to their children. Why? Because we stayed in a tolerant country, a country where both languages and both cultures were able to develop and a country—

The Deputy Speaker: Order. It being 1.15 p.m., pursuant to the order made earlier this day, it is my duty pursuant to our Standing Orders to interrupt the proceedings and put forthwith all questions necessary to dispose of second reading 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 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 45, a recorded division stands deferred until Monday, December 4, at the ordinary hour of daily adjournment.

Shall we call it 1.30 p.m.?

Some hon. members: Agreed.

The Deputy Speaker: It being 1.30 p.m. the House will now proceed to Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INCOME TAX ACT

Mrs. Beryl Gaffney (Nepean, Lib.) moved that Bill C–241, an act to amend the Income Tax Act (child support payments), be read the second time and referred to a committee.

She said: Mr. Speaker, I am very pleased to stand in the House today to speak to my private member's Bill C–241, an act to amend the Income Tax Act so that child support payments are not taxable as income for the recipient. As well, it includes child support payments within the meaning of earned income for the purposes of child support deductions.

It is important to ensure that a tax free child support payment to the custodial parent is initiated and that a more appropriate and limited tax credit is equitably distributed to child support payers. I do not suggest what the specific credit should be. I believe it more appropriately falls within the purview of the Minister of Finance.

Bill C–241 is an issue which is very important to me and one with which I have been associated for a number of years. It became clear to me that the taxation of child support payments was a significant concern to many people in the riding of Nepean and to individuals across the country. I continue to receive letters from many people who are experiencing great difficulty as a result of the existing tax laws.

On February 23, 1994 my Motion No. 14 was placed on the Order Paper, deemed votable, debated and adopted on May 30, 1994. The motion at that time read:

> That, in the opinion of this House, the government should amend the Income Tax Act so that child support payments are no longer considered taxable income for recipients.

However, the government of the day has still not responded to the motion.

The 1994 budget recognized perceived inequalities in the tax treatment of child support and committed itself to exploring ways to improve the system to ensure, first and foremost, that

the needs of children are met. However, as of this date, as I said, the government has still not moved on it.

The Minister of Justice indicated his intention to address the issue of child support guidelines and enforcement. I will be looking forward to hearing from him. Bill C–241 only asks for changes to the treatment of income tax for child support which falls under the purview of the Minister of Finance.

The current tax treatment of child support payments makes a very complicated issue out of one that should be as straightforward and as simple as possible. It is most important that it is children who now bear the immediate consequence because the current system is not providing the effect it was designed to produce. If the current policy is not changed it is the children who will go on paying the consequences every day, not just in some cases and not by accident but deliberately because of our failure to redesign an outdated tax mechanism.

This is not just a tax issue but one of wider social justice that affects the well–being of Canada's children and of Canada's future.

The tax treatment of child support payments allows a payer to deduct the full amount of the payment from his income while the recipient must include the full amount in hers. The policy has been criticized as discriminatory to women because it places an unfair tax burden on the custodial parent, and the custodial parent is usually the woman and the one who is responsible for the children.

How this situation evolved can be partially explained by historical changes in the patterns of the lives of men and women in Canada over the past half century. The current tax treatment of child support was initiated in the 1940s, probably just after World War II, and reflects the social realities of that time.

There are historical reasons for the bill. From 1940 to 1992 there have been significant changes in society and government policy which lead to the question of whether or not this tax policy also requires revision.

• (1320)

When the current policy was developed it was designed to provide relief to the taxpayer burdened with both a post–war increase in taxes and the obligation of spousal and child support. The father was typically the sole wage earner and the primary taxpayer in the separated family. It was logical at that time that tax relief be targeted to him.

In the current reality both parents are considered individual within our tax structure today. Even those who do not pay taxes file their own tax returns to have access to benefits delivered through the income tax system. Most lone parents also have paid work and pay taxes on their own earned income whether or not they receive support.

The labour force participation of all women has been steadily increasing, including women with children. In 1988, 62.2 per cent of women with partners and a child under five years of age were in the labour force and 73 per cent for those with children aged six to fifteen years. With lower fertility rates and a later age of first birth, women are spending more time in the paid labour force. This allows women to establish some earning power before interruption for child birth and care.

The labour force participation of women who are lone parents is also increasing. In 1988 the rate was 51 per cent for those with children under five and 72.3 per cent for those with children six to fifteen.

While women are increasingly participating in the labour force they are still concentrated in lower paying and less secure forms of employment. The wage gap is narrowing extremely slowly. Canada is not narrowing the gap as quickly as many other industrialized nations. For example, women's relative wage in Canada in 1990 was 67.6 per cent of men's, compared with Australia at 87.9 per cent and France at 81.8 per cent.

Due to changing economic conditions most families now require the labour force participation of women. Even for two–parent families two incomes are needed to maintain a single household. Upon divorce family resources are often inadequate to continue to meet children's needs as two households must be maintained.

Most lone parents continue to be solely or primarily responsible for the financial needs of children. One of the key reasons for this phenomenon is the high rate of default on child support awards, estimated in the province of Ontario to be disgracefully around the 75 per cent level.

There have been numerous policy changes since 1940 which have had a significant impact on the situation of women, families with children and lone parent families in particular. In 1970 the report of the Royal Commission on the Status of Women documented women's economic and social disadvantage in Canada for the first time. Since 1976 there has been a federal policy commitment to examine the impact of programs and policies on women. This was reinforced when the charter of rights and freedoms came into force.

Better research and data collection as a result of this work continues to identify and describe the feminization of poverty and its direct relation to the unpaid work involved in raising children and other tasks related to human maintenance.

There has been decreasing support for families with children through the tax transfer system over the past two decades. For example, the value of deductions and credits for children as a proportion of income has been steadily reduced. The reduction of the number of tax brackets to three and other changes to deduction and credits have all had an impact on families and on the tax treatment of child support.

Divorce law has evolved from a system based on fault to a no–fault system. Under the no–fault system there is an increasing tendency for support orders to focus on the children with the expectation that women, even those who are not in the labour force, will become self–supporting in an unreasonably short period of time.

There is growing political support for the plight of lone parents. Provincial governments are trying to crack down on non–custodial parents, usually fathers, who are not making their support payments to their children. Growing welfare rolls have spurred the search for alternatives and particularly the need to make fathers responsible for their children.

The women's movement, in combination with economic and policy changes, has reinforced women's need for and right to both paid work and a sharing of family responsibilities. My previous comments highlighted several significant changes in Canadian society from the forties to the nineties. Individuals and families are in very different situations today than in the forties. Given these changes it is timely to ask whether our tax policy on child support is still meeting the original goals of providing tax relief to the tax burdened and encouraging the payment of child support.

My bill is intended to bring the tax treatment of child support payments into the context of the world we live in today. I am cognizant of the increasing levels of child poverty. Any and all changes considered must focus on this fact as the guiding principle.

• (1325)

The general consensus is that the non–custodial parent benefits from the current tax policy, not the children. Presently the total child support award rarely specifies the total needs of the child and the specific amounts needed to compensate for the tax owing on this amount.

Actual evidence on the current levels of child support demonstrates that average support payments are low and would rise considerably with the introduction of guidelines based on actual expenditures on children. If the support award is not high enough to meet the children's needs, it cannot compensate for the tax owing. In practice the tax system further reduces the already inadequate amount available for the children.

Even if a support award is adequate to meet the children's needs calculating the gross up, which is the amount set aside for tax purposes, and deciding how to split any tax saving are extraordinarily complex.

In the Thibaudeau case the Federal Court of Appeal ruled invalid under the charter of rights and freedoms the requirement that the parent who has custody of a child include child support payments as income. Since the decision did not deal with the deductibility of child support by the payer, it left in question how the tax will be paid on income directed to child support.

Following the finding of a Federal Court of Appeal, the attorney general asked that the Thibaudeau decision be suspended while an expedited appeal was brought before the Supreme Court of Canada. On May 25, the supreme court handed down its decision and supported the existing provisions.

The result of the appeal, the court ruled five to two, was that it is not unconstitutional to require the custodial parent who receives child support payments to pay the taxes on that money. However the question of taxation of child support was not totally resolved by the supreme court decision.

Madam Justice Beverly McLachlin of the supreme court was one of the two dissenting judges in that decision. She wrote in her dissenting opinion:

> The impugned taxation scheme imposes a burden on separated or divorced custodial parents which it does not impose on separated or divorced non–custodial parents.
>
> The custodial parent must include child support payments from which she gains no personal benefit. The non–custodial parent may deduct support payments from his taxable revenue.
>
> The inequality between the custodial and non–custodial spouse is exacerbated by the fact that the latter enjoys an automatic and absolute right of deduction of support payments from personal income, while the former's ability to offset the increase in her taxes by obtaining an adjustment of support is unpredictable.
>
> Not only must the custodial parent request any adjustment from the court but it is not always certain that the court will correctly assess the tax impact or will award a sufficient amount to enable the recipient to discharge her additional burden.
>
> The logic of a deduction inclusion scheme is further called into question by the fact that our society strongly encourages women to obtain financial self–sufficiency and, in pursuit of that essential objective, to increase their income. The higher the income of the custodial parent, the greater will be her tax rate and the more she will be penalized by the requirement of including the amount of child support in computing her own taxable income.
>
> One of the premises on which the logic of the deduction inclusion scheme rests, that custodial parents are generally subject to a lower tax rate than those who pay the child support, is less and less in accord with present reality and undermines the importance our society places on women attaining financial self–sufficiency.

If we take families in which the husband, the wife and the children remain as the family unit, when the husband gives money to the wife to support the children she is not taxed on it. Nor is he given a deduction. The way it is set up is unfair to the whole family unit.

Following the Thibaudeau decision the government stated its intention to announce a comprehensive approach to reforming the child support system including guidelines to determine the amounts, the tax treatment of payments and the enforcement of child support orders.

Let me refer to why the current system is not working. According to research done by Karen Cooper and Ellen Zweibel on the current system of deduction inclusion, there is a gap between tax theory and family experience. The deduction inclusion as designed is expected to produce an overall tax savings for the ultimate benefit of the children in divorced and separated families. Custodial mothers have made it clear the current system undermines their ability to support their children and increases their vulnerability to poverty.

Fathers from the highest income group obtain the most tax savings when paying support to custodial mothers who have not yet fully entered the job market. Little or no overall tax savings accrue when separated parents are either both low income earners or are both moderate income earners. In a minority of cases, the provisions can even have an opposite effect.

• (1330)

SCOPE, which is an Ottawa based support group for custodial mothers, in its report to the parliamentary task force examining the current system of taxation of child support payments, described how the current system is impacting on the lives of custodial parents. I will quote from the submission:

> How they have had to apply for bank loans, borrow money from friends and family, cash in RRSPs, or have been subject to collection proceedings from unpaid taxes.
>
> However, if the non–custodial parent doesn't make full child support payments, the custodial mother must still pay a portion of the partial payment in income tax—Although she cannot meet all the children's budgeted–for expenses from the partial support payment, what she does receive shrinks even further because of the income tax burden. How, after struggling for months and years to get by without full support payments, when they do manage to collect the support arrears, the tax owed on those arrears is often greater than they would have been if the amount had been paid on time.

The Canadian Advisory Council on the Status of Women in its submission to the same task force stated:

> In summary, the government's main policy justification fails custodial mothers and their children. Rather than providing greater resources for children, the current tax policy puts greater pressure on the custodial mother. First, she must bargain with the non–custodial father and/or his lawyer for an income tax "gross–up". There is no guarantee the income tax "gross–up" will be included: in some cases he does not have enough tax savings to pay a "gross–up"; in other cases, he may not agree to it or the judge may order a lower amount.
>
> Whenever the custodial mother is unsuccessful in getting a fully tax–augmented child support award, she must stretch her already limited budget to cover the income taxes. When the non–custodial father makes only a partial payment, the custodial mother is left without enough funds to meet the children's budgeted needs and yet the already insufficient amount she received is still further reduced by income taxes. For those important reasons, the Canadian Advisory Council on the Status of Women strongly recommends repeal of the current inclusion/deduction provisions.

In summary, the movement to reform the income tax treatment of child support has been ongoing since the 1970s. It received significant attention in the 1990s for a number of reasons. The work of the federal–provincial–territorial family law committee which over a period of almost four years oversaw original research on child support in Canada, reviewed the research results and consulted widely with Canadians representing custodial and non–custodial parents and with experts in the child support area.

My previous motion I mentioned earlier in the House of Commons has essentially raised the visibility of the issue. The Thibaudeau case has further brought attention to this matter.

The parliamentary task force was headed by the Secretary of State for the Status of Women who is in the House today. I comment on the good work she and two of our colleagues on the task force did in their travels across the country, holding round table discussions. The input they received was heart rending, emotional and traumatic. This has further raised the profile and the importance of the need for change.

It is my hope that the debate in the House of Commons today will once again move this issue to the forefront. To quote C. Brock Chisholm from a speech in Washington, C.D. in 1945:

> The most important thing in the world today is the bringing up of children.

Designing fairer, simpler systems of providing tax relief is essential in order to respond to the needs of children whose parents live apart. We must remember this as we draft the laws which impact on our children. Their welfare must determine our priorities.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I am pleased to participate in this debate on Bill C–241 on behalf of the official opposition and I would like to start by congratulating the hon. member for having put this bill forward for this House to consider. I might add that it is unfortunate that it cannot be voted on.

Such is the will of the members. Her intentions were commendable, but at the same time, this goes to show how the government, by refusing to make this bill a votable item, is really only paying lip service to the idea behind it. The hon. member ought to be commended for her good intentions, but this goes to show at the same time that this government does not care too much for her initiative.

• (1335)

Bill C–241 is in my opinion very positive from the point of view of its title, an act to amend the Income Tax Act, child support payments.

Interestingly enough, of all the forms of child support, the one that immediately comes to mind is, of course, alimony. There has been a debate on this issue, as we know.

In Quebec, I can think of Mrs. Thibaudeau's case. This lady took her case all the way to the Supreme Court of Canada to try to make the point that the parent, generally the mother, who has custody of the children after a divorce, should not have to declare a portion of the amount received for child support on his or her income tax return, because, for the non custodial parent paying support, this amount is exempt from tax, it is deductible.

There are more women than men in this situation, since, as we know, 85 per cent of single parents facing this kind of situation are women.

We must also remember something else. In spite of the debates in this House on child poverty, as well as the laudable initiatives of members from all parties to make life more comfortable for children, one out of every five children in Canada lives in poverty. This is a serious problem.

The government often boasts about our country being the best in the world. Yet, one Canadian child in five lives in poverty. Children are not the only ones living in poverty. If they are poor, it is because their parents, their mother or their father are poor. Poor children are not all orphans. Their families are in very dire straits.

The measure proposed by the hon. member is interesting, because the person who has custody would not have to declare the money received for support, thus making it tax exempt. We, the official opposition, are in favour of that.

However, when we listen and talk to people, and when we have debates in this House, we realize that we have to be careful. That initiative must be part of a comprehensive strategy, because, taken separately, it might incite judges to take into account the fact that the spouse who pays for support can no longer deduct that amount for tax purposes, and thus lower the level of that support. We must ensure that the person receiving support payments is not penalized by getting considerably less money.

This proposal must be part of a comprehensive policy. We must avoid any boomerang effect and ensure that we do not end up penalizing the person in charge of the family. That would defeat the purpose.

In Canada, we used to have family allowances. Now we have child tax benefits. I find it deplorable that people who work, unlike in Quebec, cannot benefit from tax deductions for children.

• (1340)

Many parents in Quebec believe that, and rightly so. They want some incentives to have children. They are looking at the government for measures to help them take good care of their families, while we are in a situation, as everyone knows, where the population is aging, the birth rate is dropping, a larger segment of the population is becoming more impoverished and the social inequities are growing because of various economic considerations, which I do not have time to list in the ten minutes I have. We have very few measures which encourage young Canadians to have a family.

We are considering this motion the very same day the Minister of Human Resources Development is introducing changes to the Unemployment Insurance Act in order to further restrict eligibility to UI benefits for new claimants or people who have not been working for a very long time, without taking many measures to really create jobs. Everywhere we look, there seems to be an impending threat, not only a perceived threat, but in some areas, a real one.

In Ontario, the government is thinking of increasing tuition fees and of decreasing education subsidies. We see in the end that the young people in particular—and I remind the House that I am the BQ critic for training and youth—feel like they are continually caught in a stranglehold. Under such circumstances, how can we blame the young people who choose to wait to have children, since their economic situation is becoming increasingly difficult?

I congratulate the hon. member for Nepean for a very praiseworthy motion. However, I cannot help but notice that the government, especially this past week, has been considering motions, resolutions and even a bill on such issues as the distinct society, the veto, and so on. I can see the hon. member opposite is serious and well intentioned. In reality, I deplore the fact that Parliament seems to become more and more a place for lofty speeches, for rhetoric, and I contribute to that by making one myself today, a place where the government seems less and less willing to do anything but look for ways to cut its spending, more often than not on the back of the disadvantaged.

Who are the disadvantaged? Often they are single parents, women, who represent a large percentage of the population, as well as children, since one in five children lives in poverty. I do not see anything in this motion that will correct this situation. It is a good measure, but we can see that there is a lack of willingness to do something on the part of the government.

I hope the government will soon leave the rhetoric aside and start looking at positive ways of encouraging young people and others to start a family. In spite of that, I do not want to be seen as being too strongly in favour of pro–natalist measures because women have the right to decide for themselves if they want children and how many. I do not question this fundamental right, but it is a question we must ask ourselves from a social viewpoint. We must take the necessary measures and soon.

I am a baby boomer, I am 48 years old, and here is what might happen to some of us.

• (1345)

If there are not enough young people entering the labour force, paying taxes and contributing to private pension plans, the people coming after us may not receive a pension. This may even happen to us, as we see that old age pensions, for those who are now under 65, are among the measures being considered. If we do not have enough children and if these children do not start life in a secure environment so that they have an incentive to continue improving our society, I fear the worst.

[*English*]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak on Bill C–241, an act to amend the Income Tax Act with respect to child support payments.

I wish to commend the member for Nepean for her persistence and her efforts in support of this bill we are debating today. The issue of child support payments and taxation has been festering for many years without an adequate response from either this government or its predecessor.

One parent families are a result of a breakdown in marriage in a family. To put this into perspective, in 1991 300,000 Canadian parents received child support. The total bill was some $1.65 billion. It involved some 35,000 children in support and custody cases. Further, statistics indicate that 95 per cent of the custodial and single parents are mothers.

The Reform Party has recognized the need to fundamentally address this issue. Our family task force, which I chair, carefully considered and developed our position on child support payments and taxation in addition to addressing some other related issues.

Our motivation for developing a position on this issue is the function of our concern about the family and recognizing the need for strengthening it for this generation and future generations of Canadians. We believe the family is the fundamental building block of our society. The family is the fundamental institution that transfers and protects our values and culture. The family provides our society with the necessary stability needed for our prosperity and measured progress.

Parents and children are the basis for the family. Children can in no way be considered apart from or distinct from their parents. Children exist through and thrive on the relationship that exists between a mother and father. Thus the well–being of a child is directly related to the continued shared responsibility. I believe this broader picture of the responsibility of both parents for their children must be considered if a positive solution is to be found to child support payments and family relationships are to be strengthened.

As I mentioned before, the Reform Party has developed a rather comprehensive position on this issue. We addressed the issue of taxation, the level of support through guidelines, and enforcement and compliance with maintenance orders.

On the issue of taxation, child support payments should not be considered earned income subject to taxation. The current tax regime in paragraph 56(1)(b) of the Income Tax Act does exactly that. Where else in the tax system does such an approach exist? Child support payments are the fulfilment of an obligation of parents to their children regardless of family status. It is money directed from a parent for the well–being of his or her child. The money that is received for child support is not earned income. The federal government should therefore not tax these payments as though they were income.

This can be illustrated by contrasting child support payments and alimony. Child support payments are intended specifically for the children and not the mother. Alimony payments, on the other hand, are payments received as income for support of the divorced spouse. This distinction is a crucial one, one that must be recognized.

The effect of the tax system is compounded by the deficiency in the court system. The levels in support awards do not adequately reflect and meet the needs of the custodial parent and children, or perhaps the non–custodial parent.

With these considerations in mind, the Reform position, like Bill C–241, calls for revision of paragraph 56(1)(b) of the Income Tax Act that would strike payments received for child support from being considered as earned income and therefore eligible for taxation.

The Reform proposal would also redirect revenues collected from the taxation of the non–custodial parent to those single–parent families and dual parent families and the children most in need through a complementary increase in the federal child tax benefit, which is to say it is directed to those in need.

These positive and proactive measures will strengthen the circumstances and conditions of single parent families. They will also address the inequity the current tax regime promotes in the tax treatment of intact and separated families.

There is a broader issue of the current level of taxation that all Canadian families face. The reality is that the current tax burden upon the Canadian family is unjustifiably excessive and onerous. A 1994 study on families and taxation found that the average family composed of two or more persons paid 46 per cent of their cash income to various levels of government.

• (1350)

Families cannot now survive on a single income. In 1967, 58 per cent of families were supported by a single income. In 1994 that figure has been forced to an historic low of 19 per cent, and it is not by choice. In a 1994 survey of family attitudes, 52 per cent of respondents agreed with the statement that it is not possible to support a family on one income any more. The same survey stated that 40 per cent of parents agreed that if they could afford to they would stay home with the kids, that they work because they need the money.

Recognizing the needs of families and the pressures they face, Reform has developed another positive and proactive measure that will address the broader issue of taxation faced by Canadian families. The simplified tax proposal will provide some tax relief for Canadians, simplify the taxation system through the elimination of deductions, exemptions, and tax incentives, and in general promote more economic freedom for families. In particular, our proposal will provide a generous tax exemption for children to account for expenses parents incur in raising children. Such a provision will be particularly important for low income earners and single parent families.

A second important issue related to child support payments in addition to taxation deals with a process for administering the issue of child support payments. Families and marriages often break down under acrimonious and adversarial circumstances. Many parents then resort to an adversarial court system. The current system essentially pits one parent against the other. This is not in the best interests of the parents and it is certainly not in the best interests of the children involved.

Changes to the current system are urgently needed. The Reform proposal addresses this issue. We advocate the implementation of unified family courts. An important part of this proposal is the front end process of mediation and conflict resolution. The unified family court would also resolve the blended jurisdiction of family law, such as child support, custody, and access. Presently, jurisdiction for family issues is divided between levels of court at both federal and provincial levels. The development and implementation of the unified family court would better facilitate all aspects of family law by incorporating them under one roof.

The Reform proposal also addresses the issue of guidelines to determine the level of support awarded. When a family and marriage break down, courts are left to determine what the level of payments for child support should be. However, the problem has been, as my colleague has said, the inconsistency and sometimes unfairness of the level of support awarded. Such inconsistency is unfair to all concerned. To address this inconsistency, our proposal is based on well established legal principles of demonstrated need and ability to pay.

In practical terms, Reform advocates the establishment of nationwide guidelines that will take into consideration the income, taxation, and parenting cost implications for both custodial and non–custodial parents. Nationwide guidelines would have the effect of standardizing the level of support awarded. In doing so they will do much more to ensure fairness for those in the situation.

There is the issue of enforcement and compliance with maintenance orders. The present circumstances are abysmal. For example, in Quebec 25 per cent of non–custodial parents default in paying child support. The phenomenon of default is in part a function of the adversarial system I discussed earlier. A system that perpetuates acrimony and anger is a system that will fail.

Reform's proposal addresses the issue of enforcement across provincial boundaries. We propose the use of the national registry. We will pursue studies to see if this could be co–ordinated through the income tax system. A registry of this type would improve the access to information and effective response desperately needed to improve compliance and enforcement of maintenance orders.

The principle and concept of Bill C–241 is well founded, but more needs to be done to concretely tackle the root causes surrounding issues of child support. Although this bill addresses the issue of taxation, it does not consider this issue of the level of support and the crucial aspect of enforcement and compliance.

• (1355)

The time for action has come. To foster the stability and prosperity for the next generation of parents, children and families, we need to start by reinforcing and strengthening decisions made in this present generation.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, first let me applaud the time, effort and extensive research that has been focused on women, on their families and particularly on the children of our country by the very important work that has been done by our colleague, the member for Nepean, in keeping the government focused on the true needs of Canada's children.

I have listened with a great deal of interest to the two speeches by the opposition parties. It gives me a great sense of hope that we will make the kind of enlightened decision that we have been working very hard for over the last number of months. We hope that when the changes are brought forward we will receive the kind of support for the interest and time that we have spent to find the right solutions.

With respect to my friend from Nepean, I think the children of this land can thank her and I thank her for bringing this really important and timely issue to our attention today.

I share the concerns of the member for Nepean that Canada's child support system must be improved. In the spring of 1994, following the decision in the Thibaudeau case, which I think came down in May, our task force was organized, on the road and listening to groups by the end of June or the beginning of July. The government named this small task force to hear the views around this very complex and emotional question.

My colleagues, the member for Winnipeg Centre and the member for Saskatoon—Humboldt, and I spent hundreds and hundreds of hours in a very emotional setting hearing the views of parents, both men and women, grandparents, divorced fathers, divorced mothers, leaders of the legal profession, the accounting profession and those who were impacted, such as those in the social services and health network.

The stories of these single parents, the child support payers and those parents in the intact families were so heart rending that one was moved to wonder how the family had been able to cope with the well–being of the child in many cases.

We saw over 550 people. We received over 500 briefs. The information and views that were expressed shaped the report which I brought to cabinet from this task force on child support. I know, my cabinet colleagues know, and in particular the ministers concerned know that we need to present reforms.

However, this is not an easy country to govern. It is vital that we have co–operation and collaboration. We have been working on that. I can guarantee that we will have that commitment to change for the support system. We have been working very hard, constructively and co–operatively over these many months. We have practically completed crafting the right and fair balance in the final analysis for the well–being of the children of this country.

While the government has been very pleased to receive my colleagues' suggestions for improvements to the taxation of child support payments, we must also remember that a system of child support involves a number of elements. We must recognize the necessity of reforming the system as a whole, not just piecemeal. That means considering much needed changes to the

amount awarded for child support and the method used to enforce those support orders. Some of these issues fall, as members well know, under provincial jurisdiction.

• (1400)

In addition to fair taxation for child support payments, the parents need a more equitable and simplified system for determining those child support awards. Under such a system, awards could generally be higher through more realistic guidelines to the courts based on the real cost of child rearing and the shared ability of both parents to pay. The variation in award levels in similar family circumstances could therefore be greatly reduced. Frankly, many of the inequities could also be eliminated.

Compliance with court ordered support payments also needs to be improved. It is a sad fact that approximately 60 per cent of support orders are not obeyed. I find that totally abhorrent in the interests of the children and also because it is an abuse of our legal system. That means many single mothers in Canada receive no support payments at all for their children. The cost to society is unfair as many of the families have to resort to welfare. That is unfair for the rest of country.

Our government is committed to bringing forward a comprehensive policy solution which will address each aspect of the child support equation: awards, enforcement, and the taxation of child support payments. We recognize that the taxation of child support payments is perceived as unfair. The rules give a tax deduction to the payer, usually the father, while the custodial parent, usually the mother, pays taxes on the payments and he or she, as the case may be, also bears the partial cost of those supports.

This whole issue is seen as accentuating the problem of poverty particularly among single mothers and is seen as unfair to intact families. We also recognize that some changes are necessary in the complete package.

This government is close to completing its work on child support reforms. We propose to introduce guidelines to increase the award levels. We will put forward a program to improve the enforcement of support orders. We are also completing our review of the tax treatment of child support payments. Our objective is to reform the system for child support so that it is fair, consistent across the land and reflects the best interests of the children wherever they live.

The second facet of Bill C–241 consists of amending the Income Tax Act so that it includes child support payments within the meaning of "earned income" for the purposes of the child care expense deduction.

Allow me to explain the rationale behind the provisions of the Income Tax Act with respect to the child care side of the issue, particularly with regard to child care expenses. The purpose of the child care expense deduction is to recognize 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.

This deduction is a way for the tax system to acknowledge that these taxpayers have a lower capacity to pay taxes than other taxpayers who have identical incomes but do not have child care expenses. With the changing definition of family and because there are families of a variety of shapes, notwithstanding that we must have that fairness principle in there and recognize that the family is the basis of society.

In a sense the child care expense deduction is a recognition of the contribution to our own future as a society through our children. Under this deduction the income used to pay for child care expenses is not taxable.

Including child support payments in the definition of earned income for the purpose of a child care expense deduction would be a precedent that would make it difficult to deny the same treatment to persons in receipt of income from other sources.

• (1405)

All of this information regarding the current tax system is to say that we need to examine changes to the taxation of child support in a comprehensive way. We need to look at not only the tax side, but also review the issue of enforcement and award levels. Any changes must be done in concert one with the other.

Our challenge is to produce a package of changes in the tax rules, in the setting of awards and in the enforcement of support orders, as I have said, that is fair to all concerned and reflects what is best for our children. The government is acting to meet this challenge. We expect to announce specific changes very shortly. While I admire the intent of the member for Nepean and I agree with her wholeheartedly on the need for these changes, I simply remind this House that we need complete change and that we must get it right.

Most important, when we are pursuing options to change the tax treatment of child support, we must consider only those options that go to the root of the problem. Unfortunately, the member's bill also includes additional changes to the taxation of child support which regretfully make it impossible for the government to support her bill without reservations at this time.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, I am very pleased to stand in the House today and speak to Bill C–241 brought forward by the hon. member representing the riding of Nepean.

I was disappointed to hear the previous member speak on behalf of our government. She was speaking of the great intent of the finance department and saying that we must get it right, that we have to take time. Today in this House new legislation for employment was tabled. Sometimes we have to redo legislation. It is very important that we move on this and I do not want to see us delay. We need to move quickly to amend the Income

Tax Act so that support payments for children are no longer considered taxable income for the recipients.

Children are our most valuable resource, the most precious asset of our country. I am in favour of investing in their future. All people must realize that by investing in our children we are investing in our own future. Failure to do so will cost us dearly.

Very often the causes of child poverty have been linked to family breakdown. Whatever the causes of child poverty it must be addressed. Principle 2 of the UN Declaration on the Rights of the Child states:

> The child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him to develop physically, mentally, morally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose, the best interests of the child shall be the paramount consideration.

Child poverty in Canada is disgracefully high. More than one million children in our country live in poverty. These poor children have many unfair obstacles in the path of their lives. Many children of poverty will suffer more illness than other children. They will require more emergency food assistance and they are more likely to become drop–outs from our schools. These unfortunate children through no fault of their own can expect to have a shorter life span. These facts are unbelievable, sad, disgraceful and, I am sorry to say, true.

I call on our Prime Minister, our cabinet and all members of the House to focus on one of the greatest tragedies in the country and one of the greatest tragedies of this century: the neglect of our greatest resource for the future, the children of Canada.

Mr. Speaker, I ask you and my hon. colleagues to look deeply into the hurting faces of some of our young children living in poverty and recognize their hurt. While I do call on all members of the House to focus more on child poverty in this country, I gratefully acknowledge that progress is being made in some areas.

Today the Minister of Human Resources Development introduced a new employment system for Canadians. A family income supplement provides basic protection for low income families. Employment insurance claimants with children and a family income under $26,000 will be eligible for insurance benefits that top up and reflect their family circumstances. The family supplement will be better targeted to low income families and will deliver a larger benefit for those families who are most in need. This is a real step in the right direction.

• (1410)

In most cases Canadian tax laws have created inequities between the payers and the recipients of child support. What other country treats the taxation of child support in this way? The husband contributes money toward the welfare of his children while he is married and the wife is not penalized by additional tax burdens during this period. Therefore, why is there a difference between a parent paying for household necessities while living with their spouse and a parent who is living separate from their spouse who is still paying for the same household necessities? Child support payments are simply a continuation of a father's obligation to support his children when he is divorced. They certainly should not be taxed.

The motion gives us an opportunity to make a significant difference in a meaningful way which will affect the lives of many children in Canada. The average child support order covers less than half of the cost of raising a child. Therefore, it is not fair or just to tax back a large percentage of support payments which are meant to clothe and feed our children. We as legislators in the House of Commons must stand up to introduce further measures of justice and fairness in our tax system, particularly as they relate to the future of our children.

Loving parents will take desperate measures to care and provide for their children. Sacrifices are continually made by mothers. These desperate measures can be very costly to the mothers, to the children and to our country in the long run. Scars can be left on the parents for a long time. Scars of many kinds are left on the children.

I again congratulate and thank the hon. member for Nepean for a commitment to this very important bill. I ask all members of the House to support the bill. It is a bill upon which we should move quickly.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I recognize there are only a few minutes left in the debate. I have spoken previously on this matter. I do not want to repeat what I said at that time, but I do want to reinforce what my hon. colleague has just said.

The poverty of children costs us. As we look for ways to contain the cost of our medical system without reducing the quality and access to care, we have to remember that poor children are four times as likely to become seriously ill and to die. As we seek to keep children in school to improve our ability to compete on the international stage, we have to remember that poor children are four times as likely to drop out of school.

Poverty costs us all. That is why I want to make this point. I have no question that we are going to implement the measure proposed in the bill, to not make child support payments taxable in the hands of the custodial parent. I simply urge the government to recognize that this measure will generate substantial amounts of revenue for the Government of Canada. We have to make the commitment to direct that money explicitly to alleviating the poverty of children.

In 1991 the House adopted a unanimous resolution to eliminate child poverty by the year 2000. We are halfway to that target. In fact, the rate of child poverty in Canada has increased rather than decreased. It is now 1.4 million children in Canada who are living in poverty, compared to one million when the House adopted the resolution.

When we generate more revenue from taxing child support payments, as they should be taxed in the hands of the income earner and not the custodial parent, that money should go nowhere but to the children of Canada.

[*Translation*]

The Deputy Speaker: Dear colleagues, the hour provided for the consideration of Private Members' Business has now expired. Pursuant to our Standing Orders, this item is dropped from the Order Paper. Accordingly, the House stands adjourned until next Monday at 11 a.m.

(The House adjourned at 2.17 p.m.)

HOUSE OF COMMONS

Monday, December 4, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

CRIMINAL CODE

Mr. Pierre de Savoye (Portneuf, BQ): moved that Bill C–234, an act to amend the Criminal Code (facsimile advertising), be read the second time and referred to a committee.

He said: Mr. Speaker, Bill C–234, which I am presenting today, is aimed at preventing the transmission by facsimile of unsolicited advertising for the sale of goods or services to an individual or a company.

The concern I will be addressing applies also to electronic facsimile, electronic mail and even to Internet.

With your permission, I would like to make two points. First, as this House knows, but those watching us may not know this, because this bill is not a votable item, debate on this bill will be over in one hour at the most and there will be no legislative follow–up to my remarks.

However, and this is my second point, the concern I am raising is very real and therefore should be given legislative attention in the near future. In this sense, our debate this morning will get people thinking and ultimately, perhaps, as I would hope, lead to the House adopting in due course legislation that meets the need.

What need? As you know, before I became a member of this House, I had another job. I was in business and I had a fax machine. In the morning, I would collect the faxes received during the night. There were those that had come from Europe, because of the time difference, with their day starting earlier than mine. There were, however, others that had been sent locally and had nothing to do with my company's business interests. I was getting what is commonly known as electronic junk mail.

If it were only occasionally, we could ignore it; if there was only a little bit of it, we could forget about it. But it is a regular happening, and the number of pages printed—at my expense or at the expense of the businesses receiving them, because it is their paper they are printed on—is far from few.

We have to understand the forces at play. The fax machine is an inexpensive way to reach anyone anywhere in the world very quickly. When it is used for telemarketing or advertising, anyone anywhere can flood us with advertising we may or may not need, generally not.

This sort of thing cannot be left strictly to chance. In the area of telephony, as you will recall, overzealous telemarketing has been regulated by the CRTC. Now, companies wishing to call numbers in series must follow the regulations it has established. The situation is not the same with regard to facsimiles.

• (1110)

Faxes have environmental and other disadvantages. A lot of paper is used needlessly, but environmental damage is not the only problem. There are also commercial disadvantages: while your fax machine is receiving unsolicited messages about things in which you are not interested and using up reams of paper in the process, your real clients are unable to communicate with you. You yourself cannot use your own fax machine to communicate with your business interests. There is a conflict between your interests and those of the companies that want to market their products without necessarily asking for your permission beforehand.

Allow me to quote from an Industry Canada document called *Privacy and the Canadian Information Highway*, which deals with the intrusion of the information highway on privacy: "Citizens may also want to be protected from unwanted communications as a result of purchasing goods on the electronic highway". I am not talking only about faxes, but also about electronic mail and transmission through the information highway.

The document goes on to say: "Disturbances or intrusions by telemarketers or targeted advertising mail is a privacy nuisance that concerns many Canadians. There is already junk' fax, with solicitations over our fax machines for everything from coffee service to holiday trips". Should controls target marketing schemes that result from separate or related purchases, for instance, junk E–mail that follows a purchase of a Caribbean holiday with offers for a next trip?

If so, how? What rules should govern the collection and use of information about what people buy or other personal information transactions? How should these rules be balanced with the opportunity to be made aware of goods or services that people might want and need? The problem is not only the amount of time and paper used by your fax machine in receiving messages from outside parties, but also the fact that some businesses may use your or your company's own consumption profile to transmit targeted, unsolicited ads using your own resources, and may even paralyse your own operations in the process.

There is another aspect: fraudulent advertising. A recent investigation by the Montreal Urban Community Police Department on the First Nations Investors Group uncovered an almost $500,000 rip–off of some 20 residents of the Montreal region. According to police, the suspects recruited their investors mainly through electronic advertising, in particular by sending faxes directly to management consulting firms. Swindlers sent their targets faxes painting an enticing picture of the investment opportunities.

The advertising, in the name of Venture and Financing International Corporation, claimed to offer loans at attractive rates for financing residential or commercial buildings, or 1 per cent less than the rate in effect. Without going into details, this business fraudulently collected $500,000 by using the fax numbers of a highly targeted clientele.

• (1115)

Other uses however may be more desirable, for example, receiving your daily newspaper by fax. It is now possible for a publisher to send his readers, his subscribers, a daily newspaper either by the information highway—on the Internet—or by straight facsimile.

In fact, we know of a publisher who has 300 subscribers at $250 each a year. Mind you, this is very clever; there are no printing fees and no distribution fees, since the printing takes place at the receiving end, on the fax, photocopier or printer of the recipient.

[*English*]

I recall something that happened in Calgary. A computer specialty outlet refers to fax ads that zip through its machines as annoying junk that usually goes into the garbage. In its experience at least 10 sheets a day of irrelevant news has to be sorted. That is a problem. These things have to be sorted. They cannot just be looked on as junk. It must be sorted because in between these junk mail items could be real messages for business purposes.

From this same source cited by the Calgary *Herald*, some companies go nuts about fax firms, complaining advertisements invade their fax machines, tie up their lines and use their paper.

Furthermore, a spokesman from AGT says the Alberta phone company has no control over what travels across the lines and bears no responsibility for its customers. In this dimension there is a problem in Calgary, but it is not the only place.

In a law firm in Toronto a late night junk fax once consumed 99 pages of a lawyer's fax paper before the machine ran out. There is an added concern here. If the machine does run out of paper, not only is the paper spoiled but the machine is incapable of receiving additional faxes that could be most important for operations. The machine had been paralyzed by an outside party the company had no business with. The law firm complained that there was no way of contacting anybody to complain.

Some advertisements arrive daily just in case they were missed the previous day and become a major headache for any business. To add to the frustration, even if the offenders can be identified there is no way the offenders can be asked to stop.

There may be some hope somehow, somewhere. The CRTC is apparently under way to get authority to restrict junk faxes this fall. We are at the end of this fall and I do not know where it is at this point. A new national telecommunications act will come into effect. The CRTC unfortunately is still in a state of considering ways to exercise that control. It is not a matter of controlling and regulations; it is a matter of having the technological means to do it.

[*Translation*]

Bell Canada, which has also received floods of complaints, asked the CRTC to be allowed to disconnect those who make an abusive use of junk faxing. Bell defines this kind of junk faxes as "unsolicited material promoting the sale of goods or services where there is no business relation between the person sending the material and the one receiving it and where this has been going on for over six months".

• (1120)

Bell Canada's proposal is to suspend service for five days to anyone sending junk facsimiles to the same telephone number more than twice in the same month. After suspending service for these reasons three times, the company would consider terminating service permanently.

As you can see, there is a problem. And this problem does not affect just one municipality here and there. It is from coast to coast. Telephone companies are aware of the problem, but they do not have the necessary means of coercion to act on it. The CRTC is reviewing the issue, but does not see how it could be resolved through technology alone.

So I hope that my remarks will have alerted the House to the problem, to how extensive it is and to the need to take action, not in three, four or five years, but as soon as possible. That is my wish.

[*English*]

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I am pleased to speak on Bill C–234, an act to amend the Criminal Code, facsimile advertising. The purpose of the bill is to make it a Criminal Code offence to send unrequested advertisements by facsimile transmission.

The hon. member opposite clearly believes that unsolicited advertisements received by fax can be a nuisance for many people, organizations and businesses, particularly when the advertisements are long, numerous or repetitive. They use up expensive thermal paper and clog up the fax machine which is then not able to send the important messages that need to be sent and so on.

I am sure every member of the House can relate to this and would join in agreement with that problem. However, while unsolicited facsimile material can be a real nuisance, sending it is in my opinion not conduct that should be sanctioned by criminal law.

Bill C–234 proposes to make sending these faxes a criminal act. I cannot agree that making the abuse of a fax machine a criminal offence is an appropriate response. The purpose of criminal law is to contribute to the maintenance of a just, peaceful and safe society. It has long been recognized that criminal law plays an important role in protecting our social values, but there are other ways of protecting these values.

The abuse of a fax machine and a facsimile transmission is a problem that would be better dealt with using less intrusive, less coercive means and more positive approaches. Although I agree this kind of abuse is a nuisance I cannot get myself to agree this conduct is to be treated with the heavy hand of criminal law.

The past few years have seen a growing concern in the legal community and in society generally with the overcriminalization of our society and of our laws. It may be useful to go back to established principles that may prove to be relevant to the issue at hand. These principles could guide our nation in making a determination as to what ought to be made criminal and what ought to be regulated using less stringent means.

A 1982 report entitled "The Criminal Law in Canadian Society" outlined the policy of the Government of Canada with respect to the appropriate scope and basic principles of the criminal law. A clear statement is included in the report:

> The criminal law ought to be reserved for reacting to conduct that is truly harmful—Criminal law should only be used when the harm caused or threatened is serious, and when the other, less coercive or intrusive means do not work or are inappropriate.

With that view, with those lenses and regarding those words of advice and direction, does the act of sending unrequested advertisements by facsimile transmission seriously harm people or organizations? We will all agree it is an annoyance, but is it harmful to the point of requiring this be made criminal with all the attendant consequences like criminal records, problems getting into education and problems obtaining employment? Certainly not in my view. It may be a nuisance or an inconvenience, but I doubt there is ever any serious harm done. Does the act of sending unrequested advertisements by fax so seriously contravene our fundamental values as to be harmful to society? Of course not.

• (1125)

Therefore it seems clear this conduct does not fall within the proper scope of criminal law. If the criminal justice system is to remain an effective mechanism for the protection of social values it is important that it not be overburdened. We all understand that our court system is overburdened today. Caution is therefore appropriate in creating new criminal offences. That caution makes me conclude that it would be inappropriate for the House to use such a blunt instrument as criminal law.

I raise another concern with the bill. It proposes to make the sending of unrequested advertisements by fax a punishable offence. Any person found guilty of committing this offence would be liable to a fine not exceeding $200. At first glance this small fine does not seem to constitute excessive interference with individual liberty and freedom.

However, we must remember, especially in the House and especially today with what we know to be true in the country, that subsection 787(2) of the Criminal Code provides that if one fails to pay a fine the court may order the defendant to be imprisoned for a period of up to six months. In effect, this offence is potentially punishable by up to six months imprisonment. This would be unjustifiable state interference with individual liberty. I seriously doubt that making it a criminal offence to send these faxes is truly necessary to achieve justice and to protect Canadian society.

I must also express my concern with respect to the current wording of the bill. It does not clearly define the limits of the offence. For example, the bill would prohibit the sending of unrequested facsimile communication advertising for sale any goods or service. Unrequested by whom? Do the words "advertising for sale" make it a crime to try to sell something? Is it all right to try to rent something or whatever else? These words remain entirely open to interpretation. It is also unclear who exactly is responsible, the employer, the employee or both.

I repeat my concern. The fundamental principles of individual rights and freedoms demand that criminal offences be very clearly defined. The bill is open to a range of interpretations and yet proposes to create a new criminal offence. Criminal law cannot operate in such an arbitrary manner. The bill as it stands

is not clearly drafted and would make punishable many actions and situations not criminal in nature.

I express my sympathy again with the sentiments of the bill. Most of us have experienced firsthand that receiving unsolicited commercial facsimile transmissions can be a nuisance. However, as I have explained today, the bill raises several fundamental concerns. I am convinced it is inappropriate to create a new Criminal Code offence prohibiting the sending of unrequested advertisements by facsimile transmission to individuals or companies.

Criminal law is not the appropriate instrument to deal with this nuisance. Criminal law must only be used when it is clearly necessary to achieve justice and to protect the full interests of society. It may be possible to identify more appropriate and less intrusive means of dealing with this problem, which I might be able to support, but I cannot support the creation of a Criminal Code offence for the purpose stated in this private member's bill.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I thank the hon. member. She touched on some very important concerns raised by the bill. I agree that the inconvenience caused by this kind of advertising is significant and will become more significant. However, I question whether the Criminal Code is the appropriate instrument to deal with this nuisance. Basically that is what it is, a costly nuisance. Ought we as legislators to be creating a criminal offence out of what basically is a nuisance? I do not think we should be.

• (1130)

If this matter is going to be dealt with, it ought to be dealt with under the Communications Act. That is the proper area where we should be looking at restricting this kind of advertising, if that is the wish of Canadians.

For the information of those who are watching this debate I would like to read exactly what the bill states. It is very clearly covered in clause 1:

> Every one who sends to a person or organization through a telephone network an unrequested facsimile communication advertising for sale any goods or service is guilty of an offence punishable on summary conviction and is liable to a fine not exceeding two hundred dollars.

We saw what happened when the government attempted to curtail the advertising of cigarettes and tobacco products. From my understanding that was turned back because it violated freedom of speech and so on. Would this fall into that category as well? It may or may not, but it is certainly a question that would have to be addressed.

How would this affect advertising? Would this apply to the Internet as well where there is no costly intervention? As the hon. member who is sponsoring the bill pointed out, reams and reams of paper are consumed by those who are not interested in this kind of advertising. What about the Internet? It seems that it may in many ways be replacing the fax machine. Would this apply to the Internet? According to my understanding of what I just read in the bill it would.

We have to ask whether businesses are willing and prepared to create a negative attitude toward their product by antagonizing those very people they are contacting by advertising their goods and services. Are they willing to do that? In other words, are the pressures of the free market system not adequate to keep this thing from getting too far out of hand, the whole idea of seeing reams and reams of advertising they want nothing to do with on the fax machine in the morning?

Eventually there is going to be a backlash to this if it gets beyond a certain point. The advertisers will see that it is harming their product and the image and the profile of their company. Ought we not leave this kind of matter in the hands of the consumers who, when they are fed up with this kind of thing, will surely let the sponsors of the advertising know where they stand on it?

What about the benefit? Surely there has to be some benefit derived from this kind of advertising, otherwise they would not be doing it. Should we deny the people who are receiving some benefit from this advertising by introducing this legislation?

I do not have much more to say about the bill. The hon. member from the government side covered it very adequately. I can dispense with my concern about it falling into the area of the Criminal Code. The bill should come under the Communications Act.

We should let the market forces deal with this kind of issue. If we as legislators are to look at this kind of practice, it should not be criminalized. Simply sending advertising over the telephone lines should not be a criminal offence. If it is to be prohibited at all, it ought to be done under the Communications Act.

• (1135)

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I did not expect to rise to speak to the motion but I think the member for Portneuf is to be congratulated in the sense that he has certainly isolated a problem of the modern age.

I have encountered that problem in a way everyone in the House of Commons has experienced it which is directly related to the business we do. In my constituency office there have been occasions where my fax machine has been jammed for an hour or so receiving about 30 pages of talking points on some piece of government legislation. The irony is I would have already heard that information from caucus debates but occasionally, staff members in the ministries get a little carried away and send us more fax material than what we really want. I see some members

are very sympathetic to this point and I am sure members of the opposition have the same problem.

I quite agree with the earlier speakers that this is not something which is best addressed by amendments to the Criminal Code. When we do get into the business of in any way limiting freedom of expression, freedom of publication and freedom of speech by the use of the force of law, we run all kinds of dangers with respect to a fundamental liberty.

In the case of the use of facsimile machines for sending junk mail, as the member for Portneuf said, who defines whether it is junk mail or something else? He did not attempt to cover the question of facsimile transmissions received that contain pornographic material or deliberate untruths. If we attempt to regulate this it is very like pornographic material. There is a blurred line that we can never be sure of where we invade into the area of genuine freedom of expression.

Similarly I reject the suggestion of the member for Portneuf that the CRTC should get into this field and come up with some kind of regulation that could be imposed on the distributors of this type of junk mail by facsimile machine. The reason is similar to that of putting it in law as a Criminal Code offence. We run great perils as a society when we give arm's length bodies control over how we express ourselves.

The CRTC after all is an unelected body. It is a body that is at arm's length from government. It is a body that is at arm's length from the people. It is very dangerous to give it any more power than it has already. I have to say I am not a great fan of the CRTC. I feel in many respects it is out of touch with the communication needs of the country. It indeed needs to be reviewed.

For myself, the solution to the problem is to come from the marketplace. The solution is essentially technological. We will see some bright inventor or perhaps some industrial giant develop a code system. An individual's fax machine will have a secret code which, when it is contacted by an external fax machine, will not permit reception unless the code is given by the sending fax machine. I am fairly confident this is on the horizon.

I have some interest in the whole question of communications intelligence. I can say with some authority that a great deal of research has been done in Canada, the United States and Britain in the communications security establishments which exist in those countries on the whole question of the security of facsimile transmissions and all kinds of electronic transmissions. The possibility of having a password or code on a receiving machine is very much within the realm of an immediate possibility.

• (1140)

The idea is very similar to call display on a telephone which is a relatively recent innovation of the telephone companies. Call display can be bought from Bell Canada, as can the option of not having call display. With that option, a person's identity is kept secret and nothing appears on the call display when phoning another person. That same technique could be used on a facsimile machine. A secret numerical code could prevent a facsimile machine from receiving a transmission.

This will all come from market forces which, as the member for Crowfoot suggested, are to be key in this. It was mentioned that we are now in the era where copies of newspapers will be delivered electronically to fax machines. It will be perfectly useless if a newspaper is going to be in competition with every other newspaper for a fax machine. The only way the delivery of newspapers by fax will work is if the newspaper can respond to a secret password on a fax machine.

In the end it will be market forces. It will be technology that will solve this problem. I congratulate the member for Portneuf for bringing the matter forward because this is the place where the issues of the day must be debated. We must show that we are au courant with the issues of the day and bring solutions to some of the problems which confront us from time to time.

[*Translation*]

The Acting Speaker (Mr. Kilger): Since no other member wishes to speak on the issue and since the motion is not a votable item, the time 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.

[*English*]

Mr. Milliken: Mr. Speaker, I think you might find a disposition to suspend the sitting until noon, when Government Orders would proceed.

SUSPENSION OF SITTING

The Acting Speaker (Mr. Kilger): Is it the wish of the House to suspend the sitting until 12 p.m.?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.44 a.m.)

SITTING RESUMED

The House resumed at 11.58 a.m.

GOVERNMENT ORDERS

[*English*]

THE BALKANS

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.) moved:

That this House take note and welcome the recent Dayton peace agreement and the international community's continued efforts to bring enduring peace and security to the Balkans, and Canadian support of these efforts by participation in a multinational military implementation force (IFOR) under NATO command.

He said: Mr. Speaker, the announcement on November 21 that the leaders of Bosnia, Hercegovina, Serbia and Croatia had reached a formal agreement on peace has provided a glimmer of hope not seen in the Balkans for a long time.

After four years of bitter fighting, internecine strife and degradation, we have seen the parties come together to try to effect a peace settlement. It is now time for all of them to step out of the shadow of war. They are not there yet. A lot of work has to be done. Although we have an agreement on paper, the challenge is to ensure that the agreement is properly enforced.

• (1200)

A NATO led peace implementation force authorized by the United Nations will be the key to the next stage of the peace process. Its most important job will be to ensure compliance among the warring parties on the ground with the military aspects of the agreement. Without this force, the agreement runs a serious risk of collapsing.

Our task today is not to debate a possible Canadian involvement in the Balkan peace implementation force. Our task today is to debate the nature and the form of that commitment. Canada is by no means legally bound to send any troops to assist NATO in a given mission. Nothing in the NATO treaty legally binds us to such a contribution. However, we have a moral obligation to participate in this newly expanded NATO operation and this new operation will demonstrate the relevance of NATO in the post cold war era.

In the white paper published last spring following the consultations of the joint parliamentary committee on national defence and the foreign affairs committee, we made a commitment to continue our involvement in NATO. We believe that we have an obligation when all of our allies in NATO are agreeing to participate in this force to be there with them, shoulder to shoulder. The question is to what degree. Those are the views we would like to have from members today.

This is another example of how the government, led by the Prime Minister, has reverted to an earlier tradition of allowing Parliament to participate in the whole decision making process on how troops are deployed and how our foreign policy obligations are engaged.

We have had a number of debates in the last little while and I believe today's debate will be most significant.

[*Translation*]

Over the last four years, Canada has played a significant role in the international community's efforts to deal with the war in the former Yugoslavia. These efforts have been carried out primarily through the United Nations and NATO.

Canadian military personnel have helped prevent the conflict from spreading to other parts of the region and from becoming even more brutal. They have also helped save countless lives by assisting in the delivery of humanitarian relief supplies and by preventing more massive assaults on civilian populations.

As always, our personnel have served with courage, dedication and professionalism.

[*English*]

Canada has a dedicated, professional and devoted armed forces. All Canadians know that and respect and appreciate them.

With the peace process now moving into a new phase, we believe that Canada should be there. The Canadian forces, contrary to the remarks of some of our critics, are ready to serve in that implementation force.

I need hardly remind members of the expertise and the experience of Canada worldwide in peacekeeping missions since 1947. We have an impressive record by anyone's standards.

Today I have two particular functions in the debate. The first is to briefly remind members of the great contribution Canada has made to peace operations in Yugoslavia in the last few years. That is what leads us to continue the march toward peace by becoming involved in the implementation force.

Second, I believe I am obliged to provide members with some information on the proposed implementation force.

[*Translation*]

Canada has taken a leading role in efforts to bring about a peaceful end to the conflict in the former Yugoslavia and to provide relief to its victims.

In September 1991, Canada led the call for the UN Security Council to deal with these issues.

Canada also responded favourably to UN requests for Canadian Forces personnel to be deployed as part of a peace operation in the region.

Our military contribution was a mix of many elements of our land, sea and air combat capability.

• (1205)

On land, our contribution came to include a battalion group in Croatia, a battalion group in Bosnia–Herzegovina, a logistics battalion on the Dalmatian Coast in Croatia, as well as military observers and personnel for various headquarters positions.

[*English*]

Canada has contributed to NATO operations in the air, on the ground and on the sea in the no–fly area over Bosnia–Hercegovina. Our ships have been off the Adriatic coast. Canadians have

been in the various headquarters of the United Nations and have been involved with some NATO forces that have been deployed.

The mandate has evolved over the last four years. I will leave it to some of my colleagues to fill in the details of the great contribution that Canada has made in trying to stabilize the situation in Bosnia.

Canadian troops opened up the Sarajevo airport in 1992. Canadian troops were among the first to participate in the protection of humanitarian convoys in the fall of 1992. Canadians were the first to deploy in the former Yugoslavian republic of Macedonia in what has been the only example of a successful preventive deployment by the UN. Canadians were there when they were asked to become involved.

Who could forget what Canadians did in the spring of 1993? Troops were sent to the tiny enclave of Srebrenica which was besieged by Bosnian Serb artillery and troops. They held out for months and months. They were followed by our Dutch friends in NATO before that terrible event occurred this summer which precipitated the outcry of people in the world and the international community that forced a change of tactics, a change of strategy, to become more robust in dealing with the flagrant disregard for international order. It spawned a very important initiative by the British Prime Minister in July in London and subsequently led to the American organized peace effort which has resulted in the peace implementation of today.

The United States has to be congratulated for the role it has taken in bringing the parties together, in overcoming so many differences and in getting us to the point where we can at last see a long term peace which is not too far ahead of us, provided we do the right things.

Canada has been in a number of operations. I will continue to refresh the memory of members. The Canadian Hercules aircraft was the lifeline into Sarajevo, Operation Air Bridge. I was in the cockpit of one of those planes when suddenly enemy radar fixed on us. As a civilian I was really scared that day, but the Canadian pilots in that plane said: "Don't worry, they are just testing our mettle. They won't dare shoot us down".

Every day for months Canadian air crews participated in bringing in needed supplies. It was the only flight into Sarajevo. It was ships of the Royal Canadian Navy that enforced the embargo, enforced the sanctions off the Adriatic coast. I had the opportunity to be on HMCS *Iroquois*, one of our destroyers in that area, to see the kind of work they did in successfully capping the flow of arms and other strategic goods into that country.

Finally, Canada also has been involved in reconnaissance work with Aurora patrol aircraft. Canadian crews have been on the NATO AWACS providing information and Canadians have been involved in Operation Deny Flight.

Canadians have been there. They know the terrain. They know the circumstances. They know the people. They know the culture. That is why it is logical for Canadians to be part of the international effort led by NATO to try to bring some order to this very difficult situation, to enforce a peace, to make sure the peace plan is implemented properly.

That agreement is very impressive. It has three elements to it which cover constitutional, territorial and military issues.

[*Translation*]

Constitutionally, Bosnia will remain a single state, whose boundaries will be those already recognized by the international community. It will be made up of two entities: the Muslim–Croat federation and the Bosnian Serb republic.

• (1210)

It will be a loosely structured union, whose presidency will alternate. The central government will be responsible for foreign policy, trade, customs, monetary policy and so on. The agreement is generally in keeping with the land division agreed to by the parties, that is to say 51/49 per cent in favour of the federation.

As far as Sarajevo is concerned, Bosnian Serbs are to transfer to the Bosnian government control over the suburbian areas north and west of the city, thereby joining the city to the area controlled by the federation. A corridor 8 to 15 kilometres wide will link the safe area of Gorazde and Sarajevo.

[*English*]

On the military side, all foreign forces except UN troops are to withdraw within 30 days of the formal signing of the agreement, which will be in Paris later this month. This is a provision requested by the Bosnian government and it does include Croatian government forces. The agreement also calls for the withdrawal of all heavy weapons to barracks behind a four–kilometre zone of separation within 120 days.

Although the Bosnian–Serb leadership was not involved directly in the Serb negotiations, it was reported that the terms of agreement had been accepted. We see some nuances to that acceptance now playing out, but a deal is a deal and this deal will be enforced by the NATO led troops that will be sent.

This is an historic agreement, but future conflict cannot be ruled out. Let us not fool Canadians. This is a dangerous place. There are ambiguities in the peace accord and old antagonisms will not disappear overnight.

We believe that the NATO led peace implementation force is critical to the peace process. I would like to share with my colleagues a few details about the force.

NATO has already agreed and started to deploy the advance parties to its force, with the agreement of all parties concerned. By deploying these troops now, NATO will be in a position to start deploying its main forces very soon after the UN security council passes a resolution authorizing NATO to proceed with the implementation of the military aspects of the peace plan. I should state, to clear up any ambiguity which may arise in press reports, that there are 11 Canadians among the advance troops. These Canadians are among the hundreds which are seconded to NATO and, therefore, are obliged to be part of NATO operations.

There will be some Canadians on the ground, if not at this moment then very shortly, but within the context of the NATO commitment which is ongoing and to which we are a signatory under the NATO treaty. I emphasize that it is not the implementation force contribution that we are debating today.

The plans for the force have been debated. They have been provisionally approved by the North Atlantic Council and they will be given final approval after the security council resolution has been passed. This plan calls for 60,000 people to be part of the forces. It will be divided into three main divisions: the British, French and American command areas.

It is very crucial that we understand the objectives of the force. They are to ensure compliance with the military aspects of the peace agreement. In particular, the withdrawal of forces to the respective territories is set out in the agreement and the establishment of agreed lines of separation of those forces.

[*Translation*]

Second, UN forces currently deployed must be withdrawn. Third, other non–military tasks arising from the peace accord must be carried out. The UN, the European Union and the Organization for Security and Co–operation in Europe will join in carrying out civilians tasks.

[*English*]

This is an operation that will conduct its duties under chapter VII of the UN charter, which allows for the use of all necessary means to fulfil the mission, in other words, robust rules of engagement. I assure the House that the Canadian government will have the final say on all rules of engagement being used by Canadian forces.

Canada has contributed a lot in the last seven days to the development of these rules of engagement. In particular, I pay tribute to our military staff, led by the Chief of Defence Staff John de Chastelain, who last week with his NATO colleagues in Brussels hammered out the rules of conduct and the rules of engagement which reflect Canada's concerns.

• (1215)

I do not have to paint a graphic picture here. We have had considerable experience in difficult situations in the last few years. We have learned about the application of force, when it should be used, to whom and in what circumstances. I am pleased to say that those experiences were taken into account in the development of the rules of engagement for this protective force.

About 40,000 of the 60,000 troops will be provided by the United States, Great Britain and France. The Russians are also making a significant contribution. It is not just all the major powers. Middle powers like Canada will also be playing a role. Every one of our allies, except Iceland, which has no armed forces, will be participating.

Among the non–NATO nations, as I have indicated, Russia will be there. A Russian brigade will operate in the American sector under a Russian commander, who will report directly to the supreme allied commander of Europe, General Joulwan, an American, rather than through the NATO chain of command. Russia has also offered an engineering and mine clearing brigade, which will operate outside the NATO led implementation force.

Who could have imagined about six or seven years ago, certainly not ten years ago, that we would have Russian troops deployed in Europe serving in the cause of peace under an American commander? The world is certainly moving in the right direction. Our friends in Russia should be congratulated for putting aside any concerns they have and being committed to peace and involved in such a way in this effort.

[*Translation*]

I would add that the implementation force will serve to test NATO's ability to carry out new types of missions requiring co–operation between its own forces and other forces, such as Russian and eastern and central European forces. This co–operation will be an invaluable first step in establishing an effective European security system for the post cold war era.

Like all peacekeeping operations, this one contains an element of risk, which will depend on the parties' desire to comply with the peace accord. The rigours of winter and the poor condition of the roads in the region represent other dangers.

[*English*]

I know the critics will ask what this will cost. It will not be cheap. It will cost $10 billion Canadian for this entire operation to be put in place. Funding arrangements have yet to be settled, but it seems likely that participants will cover their own deployment and maintenance costs. Common funding will be reserved for common facilities such as the force headquarters, which will amount to about $200 million American.

Canada will be required to cover its share of the common funding cost even where it is not to participate in the force. At a

minimum, this will come to about $20 million. The cost of participation will depend on the nature and size of the forces. That is why we are anxious to hear about the feelings of members of Parliament who are in touch with their constituents and know the degree to which they want Canada involved in this operation.

We are currently considering options that would cost in the range of $20 million to $50 million. However, do not believe anyone who says this is a done deal. The fact is that we want to get the feeling from Parliament before cabinet decides on Wednesday as to the actual number of people we will deploy in this particular force.

At the moment the plan calls for the replacement of the NATO implementation force with non–NATO forces after 12 months.

[*Translation*]

A senior officer will be appointed to co–ordinate the civilian aspects of the peace plan, which will include economic recovery, humanitarian assistance, refugees, elections, human rights, arms control and disarmament.

Upon request, force commanders may assist the United Nations and humanitarian organizations in such activities as maintaining public order, clearing mines and transporting rations. However, their prime responsibility will be the military aspects of the accord.

[*English*]

In the very limited time available, I have tried to provide the House some information on the force as it is presently being constituted. We obviously look forward to the views of individual members of the House before we make the decision.

• (1220)

From a philosophical point of view, the government thinks Canadians understand that our interests and values as a nation depend on world stability, on a stable international order. That is why we have made such a firm commitment over the years to promote international peace and security. The foreign policy and defence reviews conducted in 1994 confirm this commitment. This commitment is shared by all parties in the House. Indeed all parties were generally in agreement with the direction of Canadian foreign and defence policies in those two reviews in 1994.

[*Translation*]

We cannot shut our eyes to parts of the world where instability and conflict have taken root. Even if we are not directly affected by events taking place far from us, we will, over the longer term, feel less safe if we ignore them. This is a lesson history has shown us a number of times this century.

Hence Canada's passionate defence of multilateral institutions, such as the UN, and its active participation in peacekeeping operations. We know the importance of working with our allies and with like–minded countries to promote international peace and stability, whether in Europe or in other areas of the world.

[*English*]

We have a well deserved reputation for being there when it counts. Just look at our peacekeeping record. If Canada is to continue to play an effective role on the world stage, it is critical that we maintain that reputation, which means contributing to international efforts aimed at enhancing global security.

I believe the conflict in the Balkans represents the gravest threat to international security in that area since the second world war. We have spoken of the dangers of this conflict being allowed to engulf Europe. Without the United Nations presence in Bosnia and Croatia and in the former Yugoslav Republic of Macedonia, it is not inconceivable that hundreds of thousands of more people would have died, that atrocities would have been committed in a greater number than those already committed, that Europe would have been inflamed from the Aegean to the Alps. That would be a precursor to a large European war, a war that would inevitably have dragged in other nations around the world for their own interests.

As we are at the dawning of the 21st century, no civilized nation can allow that kind of conflict to continue in one of the most civilized parts of the world. It is bitter irony that 50 years after the conclusion of the second world war the Canadian Parliament is having yet another debate, as it did 60 some years ago, about participating in a major European operation.

We have been there while the war in effect has raged all around us. Now we have a peace accord, which has its weaknesses, but it is the only peace accord we have. We have to make it work.

It is fine for us as Canadians to pound our chests and yell from the hilltops about world peace, world stability and world security, but unless we are prepared to do something about it as Canadians and put our money where our mouth is, to commit our own resources and commit our own people, then I think our cries ring somewhat hollow. As a founding member of NATO and a major contributor to the alliance over the years, Canada is expected to participate in this historic mission.

I note our friends in the Reform Party are saying we should not go. They are somewhat reticent about this involvement. This party supported our continuation in the NATO alliance. When we make a deal with people, when we have a friendly alliance, we do not walk out on them when times get tough. We do not renege on our commitments. I do not believe Canadians want the government to renege on our commitments, to turn our back on 50 years of co–operation, 50 years of success in building an organization that contributed over that period to peace and stability in Europe.

• (1225)

Any contribution Canada will make will be modest. I have talked about a price tag of maybe $20 million, $50 million or $60 million, depending on how we decide on the actual figures for deployment. We believe Canadians are prepared to pay that price. We will be involved in the British sector with Pakistan. I believe Holland is in there. The Czech republic will be there. In fact the British government has asked Canada to provide the headquarters.

What better compliment for Canadian involvement than that one of our major allies, who will be providing the overwhelming number of troops in that sector, has such respect for the Canadian men and women in our armed forces that they want Canadians to head up the brigade headquarters. That is a great compliment and it is something the government will certainly consider. I would like to hear the views of the members in the House about that involvement.

We have options of supplying an infantry battalion. We have options for a signal squadron. We have options for artillery. All those kinds of deployments can be made. We want to hear the views of the members of the House to see if we are in accord, as we think we are, with the views of Canadians and we are willing to make this commitment.

At a time when the public, the media and others are closely examining the Canadian military, we must recall that it is an indispensable national institution. It is a reflection of this country.

[*Translation*]

It is a reflection of our Canadian culture and its tradition of two official languages.

[*English*]

The military is also an instrument through which the country can achieve its objectives both at home and abroad. We saw that this weekend when we saw the crew of HMCS *Calgary* come to the aid of a distressed ship off our Atlantic coast and the heroics of a member of the helicopter crew. I hate to inform my friends in the House that it was a Sea King helicopter. They actually do work. That master corporal went back time and time again on the end of a rope in storming seas to a listing ship with desperate people. He pulled them up one by one and took them to a waiting ship. Those are the heroics of the men and women who serve in Canada's armed forces.

We heard about that this weekend because it is a significant contribution, but every day men and women of the armed forces serve proudly both in Canada and outside Canada. What do we hear? We hear the negative complaints. We hear the petty criticism of administrative lapses, which occur in any large organization. We hear talk about terrible morale. I would say the morale of all Canadians has been affected in the last few years, because we are having to deal with a difficult financial situation, a difficult global competitive situation, getting our own house in order, and we are also having to deal with a national unity issue that once again is preoccupying us.

Canadians are somewhat introspective. They are perhaps not having morale problems but are somewhat concerned. That also goes in the armed forces. Any organization that has had a salary freeze for the last couple of years, whose catch–up to the normal public service increment was also caught in that freeze and is something we are trying to deal with, obviously will be affected.

Perhaps more than anything else that contributes to any morale problems we have in the armed forces is the incessant criticism day in and day out by armchair critics, many of them in the House of Commons and most of them in the Reform Party, who are attacking the men and women in the armed forces and the job they do. That is unconscionable.

We have one of the best armed forces in the world. We have men and women who put their lives on the line. They will put their lives on the line for anybody. They do not care whether those people hold separatist beliefs or whether those people hold Neanderthal philosophical beliefs like those of the Reform Party. They will put their lives on the line for a free and democratic society. That is what we have in the Canadian Armed Forces. Those men and women, I assure the House, will be ready, willing and able to serve in this force.

• (1230)

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the defence minister's final flight of oratory hardly befits this morning's debate in my opinion. This is the third debate held in this House on the participation of Canadian troops in Bosnia under the aegis of the UN.

As you know, in February 1994, the defence minister said that he had a duty to provide as much information as possible to MPs and to Canadians on Canada's participation in peacekeeping missions, and to truly inform people of all relevant implications.

As in the two previous debates, the Bloc can only recognize and support Canada's participation in peacekeeping missions. As the defence minister emphatically pointed out, Quebeckers and Canadians who are members of the Canadian armed forces have frequently been honoured for their role in peacekeeping missions. I think everyone agrees here that they do their job to the best of their knowledge, and that they do their utmost to ensure the success of these missions.

They also have expectations of their own. The defence minister said earlier that it is important, in this debate, to hear what the public and the military have to say through members of this House. It seems clear to me that, during such a debate,

certain rules should be clarified. Throughout my presentation, I will refer to comments made by the minister.

On November 23, the Prime Minister said, after meeting with Mr. Boutros–Ghali, that Canada had a duty to participate in the peacekeeping effort, following the Dayton agreement, adding that such participation, including the number of troops to be sent, would have to be determined. This morning, I expected the defence minister to provide more details on what the government and his department have planned.

I was briefed by National Defence officials, whom I want to thank, and was told that there were a number of scenarios which cost anywhere from $2 million to some $70 or $75 million, and which require the participation of 50 to 3,000 troops in the international NATO–led implementation force. This morning, I thought the minister would suggest a specific scenario which, in his opinion, reflects what the public is prepared to support as regards such missions, and what our forces can do.

The minister said that we must fulfil certain commitments made to NATO. Indeed, whenever NATO participates in missions, its members must provide 1,000 troops. Is that a minimum or a maximum? Do we send 1,000 combat troops, or can we send military personnel for various tasks? The minister should have been a little more specific since, in a debate such as this one, he not only informs members of this House, but also the public at large.

• (1235)

I did not hear anything in his speech about the direction we might take. Later on in the debate, I will suggest a few avenues to the minister which may be of help to him.

In his speech, the Minister of National Defence quite justifiably listed all of Canada's military contributions from the onset of the conflict during the summer of 1991, throughout 1992, the opening of the Sarajevo airport, Canadian forces' participation with NATO aircraft, all of the *Hercules* transport flights, participation in the Adriatric embargo, and so on.

I say justifiably, because Canada has indeed made an extraordinary contribution to this conflict, and has always been equal to the task in traditional peacekeeping missions: to civilian population monitoring of humanitarian convoys, assistance, food shipments, food convoys, communications, etc. For anything connected to traditional peacekeeping, as the minister has said, Canadian expertise is recognized throughout the world. There is no problem in this regard; our military does an outstanding job and everybody acknowledges it, including the people of Canada and Quebec.

However, I see this type of mission as a radical turnaround. We will now be governed by chapter VII of the UN Charter instead of chapter VI; this allows far more latitude for interventions, military or otherwise. According to U.S. Secretary of Defence William Perry, once the NATO contingent is in place in Bosnia, if we run into any difficulties in implementing certain provisions of the Dayton peace accord, we will just implement them by force, and we will respond in kind to any attack.

Now this has absolutely no connection with the peacekeeping missions in which Canada has been involved in the past. This is a totally new ball game. The Bloc Quebecois and the people of Quebec and of Canada have concerns about the change in the nature of our mission.

In the same vein, I would like to add that perhaps making comparisons is unwise. Unfortunately, the minister focussed on the attractive aspects of peacekeeping missions, listing results achieved by the Canadian army and Canada in a number of peacekeeping missions, results that cannot always be readily measured. There are, however, some things that have to be looked at when playing under different rules. When the minister referred just now to Canadian participation in the discussions on the rules of engagement under chapter VII, I would have liked to hear him specify what those rules of engagement will be if Canada does commit under NATO auspices to taking part in this new peacekeeping mission to implement the Dayton accord.

From logistics or linguistics point of view, it struck me that the mission now being organized under NATO is not called a "peace mission" but rather "peace enforcement mission".

Going back in time a bit, as I recall, the Americans' mission to Somalia was also labelled "peace enforcement". We cannot ignore the fact that this additional connotation of "peace enforcement" on top of the traditional "peacekeeping mission" bears some similarity to what happened in Somalia. Far be it from me to go back over the unfortunate events involving the Canadians, the Belgians and even the Americans, but as soon as things started to heat up, the U.S. pulled out and left Canada, Belgium and other countries holding the bag, which led to major problems, unfortunately.

• (1240)

I think, and it is also the position of the Bloc Quebecois, that the change in mandate must be made very clear. The last time NATO organized a mission under the auspices of the UN dates back to the war in Cyprus.

You may think my analogies are a bit far fetched but the fact is that nothing in the Canadian military's experience in peacekeeping missions has prepared us for the kind of participation to

which we are committing ourselves or was ever approved or accepted by the people of Quebec and Canada.

I think it is important to say this and to be prepared to consider all eventualities. In any case, the Dayton agreement divides certain territories—Bosnia, Croatia and Serbia—and was signed by representatives from Bosnia, Serbia and Croatia.

One of the problems in Bosnia around Sarajevo is that the so–called chiefs of Pale, Radovan Karadzic and Ratko Mladic, the military chief, did not sign this agreement. Only yesterday we saw on the news that Mr. Mladic, the military chief heads a group that is opposed to the Dayton agreement. For at least two years they thumbed their noses at the UN's resolutions, brought their heavy weapons near the perimeter of Sarajevo and then withdrew them after a number of air strikes, playing cat and mouse with the UN. Now an agreement has been signed and these people are still there on the outskirts of Sarajevo. In fact, the self–styled Bosnian Serb Republic headed by Mr. Karadzic has so far been very inconsistent in its acceptance and has always been rather hard to pin down.

Another argument which casts some doubt on the security of the mission and I believe amplifies certain problems is the fact that the UN set up a war crimes tribunal. Recently, eleven judges from six different countries took part in the proceedings and convicted Mr. Mladic and Mr. Karadzic of war crimes.

Based on international opinion, various experts in diplomacy or international law or crimes against humanity suggest that peace will not have a chance until these people have been convicted.

As far as I know, those people who were at the root of the conflict in Bosnia never accepted the Dayton agreement and are already preparing to sabotage the process. I do not think it will be very pleasant or even easy to impose anything at all, because I do not see this as a peacekeeping mission but more as a mission to impose peace.

I think that in this House, parliamentarians have a duty to make it clear to the public and to other parliamentarians that this means a change in what the extraordinary reputation of Canadian peacekeepers is built on. It will be a different application.

A previous change has unfortunately produced the kind of incidents we saw in Somalia, and I think it is a shame they were allowed to happen.

• (1245)

My second point is the economic considerations. I think we all agree, and perhaps this is less true of members of the third party, that Canada has a duty to take part in these peacekeeping missions, to deal with the conflicts that arise in various countries throughout the world.

I think it is important to tell the House and the public what all this costs. The public realizes that when the government says: "We have soldiers, they need practice, we have equipment we use", all that costs money. However, in the past three years, in 1993, 1994 and 1995 which is now drawing to a close, we were $517 million over budget in Bosnia, which includes humanitarian aid and military spending as well.

This morning, the minister mentioned that costs might vary from $30 million to $50 million, depending on what the government decided. I found this hard to believe, because at the height of Canada's participation we had around 2,100 soldiers with the peacekeeping forces in Bosnia and Croatia and we were over budget. In other words, it cost more than would normally have been expected, about $170 million per year more over a period of three years, for a total of $517 million.

And now the government wants to either maintain or reduce Canada's participation, at a cost of say 30, 50 or 70 million, and if they send up to 3,000 soldiers, we are talking about $75 million. When at the height of Canada's participation, it cost us an additional $170 million for 2,100 soldiers, then how can it possibly cost $75 million for 3,000 soldiers? I find it hard to follow the calculations of the Minister of National Defence, and I think some clarification is in order. In fact, it should even be incumbent on the government to provide this clarification. It must be more precise.

When we decide to participate in these missions, guided by our suggestions or those of the Reform Party, and the government says that we will meet our commitment to NATO and provide, say 1,000 soldiers, it should tell us exactly how much more that will cost. I am not talking about costs pertaining to soldiers in the regular forces who are already getting their salary. Not those costs. But we must clearly stipulate the additional costs that can be expected. What is also needed is a clear indication of the duration of the mandate and the rules of engagement over which, as the minister said earlier, Canada would have the last say, but I would have appreciated some further indication from the minister.

As far as Canadian aid is concerned, I would like to refer to a statement by the Minister of Foreign Affairs who said that Canadian aid might not necessarily be military. We have seen no indication of this option in the approach taken by the Minister of National Defence. The Minister of Foreign Affairs said that we could, for instance, take part in certain humanitarian missions through funding or by receiving immigrants. We know that since the beginning of this conflict in 1991, nearly 250,000 people have died in Bosnia and nearly 800,000 are trying to leave to get away from their wartime experiences and tragedies in their own families, with many killed or wounded. And there are also quite a few people who were maimed as a result of bombings, mines or sniper fire.

• (1250)

Bosnia greatly needs all kinds of help, but we in the Bloc wonder if our armed forces' ceaseless efforts are still needed. I can tell you that about two weeks ago at CFB Valcartier in my riding, the soldiers coming back from peacekeeping missions in Croatia looked a little tired. Some of them were on their fifth mission, others on their fourth or third, and I can tell you that a number of them have experienced psychological problems, family problems, all kinds of problems.

Once again, we are being asked to step up our effort because, as the defence minister said earlier, Canada has been continuously involved since 1992. We must keep in mind that this is a European conflict and that the international community could never accuse Canada of not participating, sometimes beyond its capabilities in terms of human and financial resources, and of not doing more than its fair share.

We in the Bloc are not calling for a definitive pullout. Not at all. What I insist on, however, is that the government should think very seriously about all the implications and disclose them without any restrictions to Canadians and to Parliament.

I would like to get back to the statement made last week by the defence minister, that Canada would send troops unless the Americans got involved. Last night, I heard some Americans arguing that Congress had not yet agreed to send 20,000 and 25,000 American troops. As far as I and my Bloc colleagues know and understand, if the American effort is not approved by Congress, I seriously wonder how the famous Dayton agreement can be fulfilled.

It is a little akin to debating whether Canada should participate without clearly defining what kind of support we will provide. Should we send a fighter squadron, as suggested by the hon. member for Saanich—Gulf Islands, an engineering battalion to repair roads, or a communications platoon? None of these options was suggested by the minister. I think it would have been an excellent opportunity to tell the people: "Yes, Canada participates in peacekeeping missions in line with its means and human resources".

As I pointed out earlier, I think that our soldiers are exhausted from all their missions, even if the white paper and the special standing committee's report call for increasing the number of land forces members. This has not been done yet. Recruitment is under way, but these people are not ready to leave now. I think we should take a different approach or limit ourselves to the 1,000 troops required under the terms of our agreement with NATO, and perhaps participate as observers or communications people, for example.

Before we make this decision, however, I have trouble understanding how the Prime Minister could tell Mr. Boutros–Ghali beforehand that we would send troops, that there was no problem.

• (1255)

Then we will figure out how much that will cost and what kind of assistance will be provided. And how long will we stay there? Well Mr. Boutros–Ghali indicated that commitments could be for six months, twelve months or three years, depending on how long the conflict lasts. That is another question mark for the public as well as for the military personnel involved and for members of Parliament. How long will the Canadian contribution in Bosnia be for? If the government decides on a twelve month commitment, as requested by NATO members, but the conflict has not been resolved after twelve months, will we do as usual? Two days before renewing the agreement, we will hold a short debate and say: "Let us extend for another six months or twelve months. We will figure out how much all this costs after".

I am far from being certain that this is what the public expects. I think it is high time that the government, and DND in particular, be more specific. We Bloc members agree with a Canadian and Quebec contribution to peace missions intended to protect values and traditions, but these contributions must be defined. In addition, our troops need a mandate clearly stating what they are expected to do and for how long, and the public should know how much it costs to uphold the principles and values Canadians believe in.

To conclude, regarding the geopolitical context and the Dayton agreement that was signed, we should be reminded of what Justice Deschênes, from the international court dealing with war crimes, whom I quoted, said; let us not forget that Mladic and Karadzic were declared war criminals. I do not think that Canada did anything about it or very little.

Are we going to pacify the region forcibly and then negotiate with these criminals? That is assuming that all Bosnian families who were the victims of the atrocities inflicted by these individuals will just forgive them and forget all that happened. That a bit much to ask.

I know of a member of the Croatian army who was also found guilty of war crimes. He was recently promoted in the army.

Again, I doubt that the population, on either the Serb or the Bosnian side, could put up with that. Consequently, peace will continue to be threatened. The international community and NATO should ensure that the sentences given out in these cases are carried out. Otherwise, several observers, and I agree with them, feel that peace will remain precarious as long as justice does not prevail.

In conclusion, before making a decision, the government should clearly explain all the political, financial and human implications relating to the rules of engagement mentioned, but not specified, by the minister. I think the time has come to discuss these rules openly before a decision is made.

Therefore, the Bloc recommends that the government set a specific duration for such missions. If, as a NATO member, we are asked to stay for 12 months, then we commit ourselves for 12 months and, in doing so, we avoid problems such as the recent hostage–taking incidents in Visoko, Tuzla and Gorazde. As some will remember, this was the Cobra mission. Since that mission is now completed, we are somewhat ahead in terms of training some troops that will be sent to Bosnia. I think that if we decide to go there, we should, and the minister talked about facilitating the withdrawal of peacekeepers, provide for the withdrawal of these troops at the end of their stay.

• (1300)

We should at least plan the withdrawal of our troops, so that it is not improvised, as was the case last spring or during the winter, with the hostages.

Finally, I would suggest, on behalf of the Bloc Quebecois, that Canadian troops be more specialized in what I call the traditional type of involvement in peacekeeping missions, which include activities such as monitoring, as well as communications and humanitarian operations. If we decide to participate in such missions, we should concentrate on such activities, given, as I mentioned, our limited human resources. We should also avoid breaking the Canadian tradition of excellent and extraordinary participation in peacekeeping missions. I do hope that Canada will never become an expert in peace enforcement missions.

Finally, it is always very satisfying to actively protect the values and principles that Quebeckers and Canadians hold dear. But let us not forget that we must first help our own people, and work with them. if we want to be able to continue to help populations in distress abroad.

[*English*]

The Acting Speaker (Mr. Kilger): Before resuming debate, today our deliberations are guided by Standing Order 43, whereby members now will be entitled to 20–minute interventions with 10 minutes for questions or comments.

Mr. Mifflin: Mr. Speaker, I rise on a point of order. Are there questions and comments on the hon. member's presentation?

The Acting Speaker (Mr. Kilger): If we refer to Standing Order 43 we would find that in this case the minister under whom the motion stands today and the next speaker have unlimited time and are not subject to question or comment.

As I understand, there are no questions or comments to the last speaker. To each speaker here forward there will be a 10–minute question or comment period available to all members.

Mr. Mills (Red Deer, Ref.): Mr. Speaker, that points out something very obvious. This is supposed to be a debate. We are supposed to be able to ask questions. We are supposed to be able to ask the minister questions. Obviously the orders are set in such a way that we will not be able to do that.

The Acting Speaker (Mr. Kilger): Far be it from me to engage in any debate but these rules were made by the membership. If members wish to change the rules or ask for unanimous consent to ask questions, those opportunities are always available every day in the House of Commons in this 35th Parliament and all previous Parliaments and hopefully in future ones.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I apologize. No decision has been made but we will send troops. Parliament is here to inform Canadians, to talk about the issues, to have answers to the questions. What I hope to do today is talk about the process we are undergoing right now, the criteria the House should follow and some of the pitfalls we possibly can go into.

It is not for me to say anything about our peacekeepers. We have done a lot of backslapping here. We agree our peacekeepers are the best. We are proud of them and we would say nothing negative about our peacekeepers or our Canadian forces when they get over there to do a job. We are proud of them and we should say that loud and clear because we mean it.

• (1305)

We have gone through the process of take note debates before. I believe this is a democratic fraud, an illusion of consultation, a red book promise. We know many of the decisions have already been made. We know the leaks to the media have not been accidental. We know we will not get to vote on the issue. We know in the following weeks we will hear that there was a full, democratic debate in the House and that the full democratic debate was the basis on which the decision was made.

The Prime Minister and the Minister of Foreign Affairs have announced a number of things regarding this issue. This is not peacekeeping; this is peace enforcement. We are using combat troops, not with the UN but with NATO. This is not part of the NATO mandate. This is not a NATO member that we are going to the defence of. This is quite different than the mandate for NATO. Let us not let the spin doctors turn this into a NATO, non–NATO, not participating with our partners debate. This debate is to get information for the Canadian people so they know what we are getting involved with.

When Mr. Mulroney decided we should go to the gulf war, everyone was absolutely abhorred the decision had been made without consulting the Canadian people. But how an election changes things.

A week ago Friday we sent a letter to the Prime Minister asking for three things. We wanted the proposal. What is the proposal so that we can discuss it? We want a full briefing, a full debate in the House and a free vote, three relatively straightforward requests. We did not even get the courtesy of an answer to the letter. We have had answers in the House that there will be a full debate; we would have all the details, maybe even a vote. We have gone through it. What a laugh the briefings were. I will get to that in a few minutes.

What is wrong is there is no true debate, no details for the proposal and we did not hear any this morning from the minister. There has been no adequate briefing, no chance to consult with Canadians. I was with 800 Canadians in one place on Saturday night. It would have been great to consult them on some of these issues.

There is no vote, let alone a free vote. It is not open, transparent and honest. The decisions have already been made. We can listen to the media talking about the decisions yesterday.

The government believes the opposition is basically an inconvenience, keep us in the dark. Obviously the backbenchers will go along with what they are told and with the speeches written for them. The spin doctors will say we are not supporting NATO, but this is not a NATO mandate. Let us get that right off the table now. Let us not make this a partisan political thing. Let us make it what is good for Canada. That is what this should be all about. That is why we need the information to debate and discuss. This whole sham we are going through is wrong and the minister knows it. He knows the information is not on the table for us to see.

What sort of things should we have discussed? We should have looked at some criteria. What kind of criteria? The last two speakers talked about the cost. This is not hard, cold and heartless; it is reality. Canadians are losing their health care. They are having difficulty educating their children and they have other problems, and we hear in our briefings that the cost may be between $2 million and $70 million. That is an accurate estimate. Now we hear in the House that it may be $50 million or $60 million. We already have made an investment of $600 million and ten lives in this area of the world. Let us talk reality here. Let us talk about what this means.

• (1310)

Let us look at some of the estimating that has been done. We estimated $22,000 for 1995–96 in foreign affairs for the Haiti mission. We now have requested another $67 million. Twenty-two thousand dollars for the Haiti mission in the estimates. Everybody must have known that was wrong. Let us get some estimates. Let us talk about the cost. It is a real issue.

What about the length of the mission? NATO says 12 months and we are out of there. The Prime Minister said last week that 12 months is not very long, maybe we will need three years. Maybe we will need 30 years as we did in Cyprus. How long will we stay if NATO leaves?

We also need to look at the record of 12 months in any place. Let us talk about Cyprus—30 years. Let us talk about Somalia. How successful were we in 12 months there? Let us talk about Haiti. We now have Mr. Aristide talking about taking another three years as dictator. Let us talk about the deterioration in Haiti which is ongoing. Let us talk about the duration of this mission and what we hope to accomplish.

Let us talk about the command. We have a hint that the minister knows quite a bit about it. I hope he does. In our briefing we were told that when NATO leaves it will be turned over to a group. Will we be part of the group? These are the questions Canadians want answered.

What about the mandate? What is the job we are to do? Obviously if the minister does not know we will tell him today. We will shoot to kill. We will be mean junkyard dogs. That is what the U.S. defence minister said. What does that mean for our troops? Can we really fight force with force? Is that how we get peace? Has it worked throughout history? Let us look at that.

Let us talk about the escalation of the threat to world peace. Let us talk about Germany, Russia, the Turks and the U.S., their involvement over many years. This civil war started in 350 B.C. We must look at history if we want to understand it.

What about our commitment to allies? We talked about that. This is not a defence mission. This is not the protection of an ally. This is something totally different.

There are many criteria which need to be discussed and we must get honest and non–partisan answers to these questions.

What about the threats? Let us look at Sarajevo. They will take a city with 120,000 Serbs in it and say "get out". What does that say? How will we handle that in a peace sense?

Let us ask questions about elections. There are thousands of refugees. There is a scorched earth policy and houses are being destroyed. There is no infrastructure and they are to hold elections within one year? How will they have a democratic election? What role will our NATO troops play in the elections? We need the answers to those questions and the Canadian people are asking the minister for those answers.

What about the refugees? How will we get them food, shelter and infrastructure, the basics of life? How will we handle the emotions? They have seen their children, grandparents and other

relatives killed. They have seen their daughters raped. How will the NATO troops handle those emotions?

What about the stability between the Croats and the Muslims? What about the potential for a Croat–Serbian war? We need answers. We need to ask those questions in a non–partisan manner.

What about the American policy of rearming the Muslims? How do we rearm one faction while ignoring the other two factions? How will that help to create peace? How will arming that faction give more stability? Those are the questions we have to ask.

What about the war criminals, a gigantic moral dilemma? What will our NATO troops do when a little kid tugs on their tunics and says: "That guy over there killed my parents and raped my sister. What are you going to do about it?" We need to talk about what we are to do about it. We need to tell our troops what they are to do about it. We need to know what that means. How do we deal with those human rights areas?

• (1315)

Will the combatants simply wait for the year and then hope they all leave? What is the real commitment of the Americans? If I were an American looking at this, I would say that I know my troops are targets. An American GI is worth a lot more than anybody else. That is the big power. They have an X on them the minute they go somewhere.

Let us look at the background. Let us look at what Vietnam did to the U.S. psyche. Let us look at Beirut, Lebanon, as soon as the suicide bombers came. Let us look at Somalia where a dead marine was dragged through the streets and it showed up on the front page of every American newspaper, what impact that had on the American psyche again. What about Haiti?

The minister must tell us what happens if the Americans decide to leave. It is a lot different when we are on the ground and starting to go through this kind of thing. Will Canada stay if the Americans leave? Is this possible? How will this work? We need answers to these questions and we will not get them in the House because the minister will not respond.

The question for us is whether Bosnia is worth dying for. That is what the Americans are asking. Would the minister send his son or daughter into this conflict? Does it pass the mother test? We have to ask those questions. We should be talking about those in the House.

In conclusion, the government has refused to provide detailed briefings. The government has chosen to rule by decree. We cannot in this party honestly support or reject this process. How can we support or reject when we do not have the adequate information or opportunity to get answers for these issues? If this were an honest approach and we got honest answers, we could give an honest answer back. If we talk about it from a strictly military sense, the next speaker on our behalf will talk about why militarily we are not equipped to say yes.

I am talking about the big Canadian picture. The method was wrong. The decision is totally the government's. I never want to hear the minister pontificate again that we discussed it, had a democratic free debate in the House and are part of the decision. We are not part of the decision. The decision is the government's. They had better remember that. The government will be responsible. It cannot hide behind this parliamentary phony sham we are going through today and have gone through before.

The government actions are the same old–style politics. Liberal, Tory, same old story: Ottawa knows best; we do not need to inform or ask the people, we will just set it up in Parliament so that it looks like it is democratic.

The government can send our troops, and I hope the minister is right. I hope there will not be a disaster. I hope not one Canadian will be killed. I hope the NATO mission is a big success and Bosnia has permanent peace. But how much better would we feel in the House if we had been part of and heard the answers and looked at the commitment, looked at all this in a non–partisan way where we had an open discussion, where we had the House full of members. The reason it is not full of members is they know this is a sham.

I hope the war criminals are brought in. I hope for Canadians that nothing goes wrong with this mission. This is a government decision. The decision has been made and the government must live with that decision.

• (1320)

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for his presentation. I am left in some doubt as to what he was proposing in particular.

First I want to clarify the record. The hon. member said they do not have enough information in the third party. If my understanding is correct—and I am not sure if the hon. member was there—there was a briefing on Thursday. I do not know how long it went on, but I understood from at least two members of the third party that they were happy with the briefing.

At the briefing it was presented what Canada's role might be. They were given 15 options of some of the things we may be able to do, what the command and control arrangements were. I would have thought there was enough information there to provide the basis, with further learning and research, to come to the House in a debate with at least four days' warning to provide some useful input.

I am not really sure where third party members are coming from. I am very serious about this. For the last week they have been complaining that morale is not good enough to participate. I can only assume they received irate telephone calls from members of the Canadians forces, because that does not now

seem to be part of their presentation. I am not really sure where they are on that issue.

On the issue that they are not being included, we have had countless debates in the House, and he knows that no decision has yet been made on the troops that will be committed. I do not know if he expects that the third party and the opposition can go over to Brussels and meet. In our system of democratic government it is the ministers of the crown, the Minister of National Defence and the Minister of Foreign Affairs, who go and meet with their counterparts in the NATO countries and the partnership for peace countries. There is no built–in system, other than corresponding with the minister. Have they ever heard of letters? Have they ever heard of meetings in the minister's office?

We have today this special presentation, a debate. As parliamentary secretary—and I am sure I am speaking for my colleague, the Minister of National Defence and Veterans Affairs—I want to hear from the member and from other members who speak from the third party, the opposition party and our own party. We have this debate today to find out what the opposition parties want to do. Give us some proposals. Help us. That is why we are having the debate, not to hear the sort of rhetoric we hear: we are not really sure what we should do, sitting on the fence, maybe we should and maybe we should not.

This is a golden opportunity. It is the first time in 45 years NATO will do a peacekeeping job all on its own, with the approval of the security council, with the possibility of participation of partnership for peace countries, with the involvement of Russia, our old cold war ally, under a system that should cause so much excitement and so much possibility for fertile imaginations and learned debate.

I am very disappointed at what the hon. member had to say. What would he like to do?

Mr. Mills (Red Deer): Mr. Speaker, I guess the member obviously did not listen to the Bloc member either. The Bloc member said the same thing: we do not have the details.

The briefing was a laugh: it might cost between $2 million and $70 million; we do not now what the mandate will be; we do not know who will run the show after NATO leaves.

We need to know the cost, the exact budget. We need to know the mission. What is the mission all about? We need to know who will be in command. We need to have something to debate. We have not been given any information. The briefing is a laugh.

We know the government has made up its mind, just as in the past. It has the information, which is why we ask for it. Check out the letter to the Prime Minister to see what we asked for. Two weeks ago we outlined exactly what we want. We want a free vote in the House. We do not want a bunch of parrots. We want a free vote where people can consult with their constituents and come here and say exactly what they think, based on the facts, not based on a bunch of stuff that spin doctors turn out. I am sick and tired of the spin doctors. I am sick and tired of how the government tries to turn it and put the responsibility on the third party.

• (1325)

Mr. Collenette: What do you think? What do you want?

Mr. Mills (Red Deer): You know what we want. We have said we want the criteria, the details.

Mr. Vanclief: We want the same.

Mr. Mills (Red Deer): I do not really think I can add any more to what the members do not understand.

Mr. Boudria: Mr. Speaker, I rise on a point of order. I wish to invoke Standing Order 43(2) so that Liberal members from here on in will be sharing 20–minute speeches, 10 and 10.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I heard reference to the initiatives put forward by the Mulroney government when it sent troops to the Middle East a few years ago. I wonder whether in fact he preferred that approach to the approach being taken by our side whereby we are involving all sides of the House before any action actually occurs.

Mr. Mills (Red Deer): Mr. Speaker, what difference is there whether the decision is made in a caucus room or a cabinet room and then put out that way or whether we come here with the decision already made and for show only listen to the opposition members saying whatever they have to say, which is not important anyway, and the government members saying what in fact the government wants them to say? The government will pick on something like NATO: "They do not want to be part of NATO", or "They are not for our troops".

We are proud of our troops. They have done a great job. But let us not keep asking them to do the impossible. Do not tell me that another member will disagree with that, because another member in our party will look at it from the defence standpoint, as the defence minister should. I said I was looking at it from the big picture. I said we should look at it from the NATO involvement, the countries, the history, the mandate, the criteria and so on. Our other member will look at it simply by asking whether we can continue to ask the military to do the impossible. That will be the question he will deal with.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, the hon. member who has just spoken said he was looking at it from the bigger picture. When he sat down after

his second last comment he said he had nothing further to add. I might say that he had nothing to add in his entire speech.

If the member is looking at the broader picture, if he is looking at the history of it, heaven help history students. We know what has happened in world history when people have failed to come together and unite for a common, humanitarian, good cause. We have had world wars started from this very part of the world. Are we to stand by and let them go to it again? Are we to put the world at risk and all those young people in the free world today coming up in the future in the armed forces? He wants to know what the cost of this will be. What is the cost of it if we do not do it? That is the question that has to be asked.

When we are debating these things on the floor of the House of Commons, let us look at the broader picture. I welcome the invitation to look at the broader picture. But if we are to look at the broader picture we have to understand what has happened along the road in history itself.

When we were over there as a defence review committee we met with a Croatian mayor, a Bosnian mayor and a Serbian mayor. Each of them had a solution and everything was different. Today, the peaceful world, the world that wants peace among humanity, will have to go in there and lay the groundwork. We talk about starting governments up. Of course we have to start putting governments in place. Nobody will walk away from something when things are going well. However, it takes courage and determination on the part of united countries and the United Nations to move in and do things when the going gets tough. It is the same thing as debates in the House of Commons. We do not sit in our seats and listen when the going gets tough. We get up and add our points.

• (1330)

I want to look at the broader picture. I compliment the government, I compliment NATO and I compliment the UN for showing the guts and the courage they have. In doing so they are supporting every young person in this world who may end up in a broader conflict. Yes, let us look at the broad picture. Let us look at the cost of this war. Also, let us consider the cost of not doing anything at all.

Mr. Mills (Red Deer): Mr. Speaker, I compliment the member for saying it a different way. We need to debate this in the House. We need to look at all the issues. But we are not doing that. That is the problem.

The real issue is about talking to the people. I have talked to the Croatian communities. I have been invited to the Serbian communities. I have talked to them. I know what the people are saying. They are saying: "Give us the facts before you write the blank cheque". That is the point: "Give us the facts before you write the cheque".

Would the member who just spoke send his grandson or granddaughter to this conflict knowing what he knows today? That is the question.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, where some of my colleagues have criticized and given the member for Red Deer a hard time, I would like to compliment him. I see a change in attitude in the Reform Party. In the past it criticized our peacekeeping forces and was afraid to involve them in peacekeeping situations. At least today we are hearing from the Reform Party that we have the best peacekeepers in the world. I am very pleased that members of the Reform Party have evolved to the stage where they now see the importance of peacekeepers in the world.

My hon. colleague, the Minister of National Defence, has outlined the options of our participation in the international force which is being assembled to bring peace and stability to Bosnia. It is those options I hope we will debate today.

I would like to take us through a foreign affairs perspective. I would like to give a little broader analysis of the question before the House which underscores the importance of Canadian participation in this effort from a foreign policy perspective.

The suffering of thousands of innocent persons in the former Yugoslavia has deeply affected us all. Persons have been driven from their homes, subjected to ethnocultural cleansing and too frequently killed. These developments deeply offend Canadians' humanitarian values and sense of justice.

Who can forget the tragedy of Sarajevo and the suffering of the people in that city, under siege for over three full years, one of the longest sieges in European history? Against this backdrop of conflict and human suffering, Canada and the international community were asked by the United Nations to provide peacekeepers.

As a country committed to multilateral peacekeeping and the effectiveness of the UN, Canada responded. Canada responded to these challenges positively and at some cost. In each of these areas of challenge we have taken a stand in defence of Canadian values and as leaders on the world stage.

As we review what we have done in the past and consider what we will do in the future, it is important to place these challenges in a broader context. As the tragic story of the former Yugoslavia clearly demonstrates, international security is indivisible from human security.

To restore peace to Bosnia we must also restore the human conditions that support peace, conditions which will allow families to reunite, schools and hospitals to reopen and communities to rebuild. Peace and stability are in many respects preconditions to a degree of human security that will allow the

people of Bosnia to learn the lessons of peace, the lessons of trust, tolerance and co–operation. Without peace and stability we risk teaching an entire generation of Bosnians the lessons of war, the lessons of mistrust, hatred and violence.

From the very beginning of the crisis in the former Yugoslavia, Canada recognized the importance of early action on behalf of the international community to prevent the spread of violence. It was Canada which led the call in 1991 for the UN Security Council to address the crisis in the former Yugoslavia.

• (1335)

As we heard from our Minister of National Defence this morning, Canada was among the first to send peacekeepers to the former Yugoslavia, undertaking some of the most difficult assignments. In June 1992 it was Canadian troops that were deployed to Sarajevo to reopen and secure the airport so that the airlift of relief supplies could begin.

Canadian troops were in Srebrenica in eastern Bosnia–Hercegovina to establish the UN presence in that besieged city. Until the drawdown of UN forces this fall, Canada was the fifth largest contributor to UN peace forces in the former Yugoslavia.

As well, since the autumn of 1991, Canada has contributed well over $63 million in humanitarian assistance for the victims of the conflict in the former Yugoslavia. Canadian money has been used to purchase and deliver food, medical supplies and clothing, to provide shelter, to assist refugees and displaced persons and to support victims of sexual violence.

In 1992 Canada also introduced special measures to help citizens of the former Yugoslavia join their relatives in Canada. Over 7,000 persons have been landed in Canada under these special measures. In addition, over 11,000 refugees have been admitted to Canada from the former Yugoslavia through government assisted and privately sponsored programs.

Outraged at reports of horrendous crimes against humanity committed during the conflict, Canada led efforts to investigate and prosecute those responsible. A Canadian judge was one of 11 elected by the UN General Assembly to the International War Crimes Tribunal. The critic for the Reform Party did not make note of that.

Today, with the initialling of the Dayton agreement on a general framework for peace in Bosnia–Hercegovina, the parties to the conflict have committed themselves to sign later this month in Paris, an agreement that would ensure that Croatia, the Federal Republic of Yugoslavia and the Republic of Bosnia and Hercegovina respect each other's sovereign equality. The agreement guarantees that Bosnia and Hercegovina will remain a single state within its internationally recognized borders.

The Dayton peace agreement touches on issues such as the new constitution of Bosnia and Hercegovina, territorial divisions, human rights and policy and military forces. Among the key points agreed:

Bosnia and Hercegovina will be composed of two entities, known as the Federation of Bosnia and Hercegovina and the Serb Republic. These will be joined in a loose union with a central government.

Bosnia–wide elections, assisted and supervised by the Organization for Security and Co–Operation in Europe, OSCE, will take place within nine months of entry into force of the agreement.

Sarajevo will be a single city.

Parties will begin negotiations on confidence building measures, or CSBMs and on a sub–regional arms control arrangement under the auspices of OSCE.

Refugees and displaced persons will have the right to return to their homes of origin or receive compensation.

Admittedly the Dayton agreement is fragile. We know that, but that is all we have at present. Questions remain. Serious difficulties must still be worked out and much could go wrong. Yet this agreement represents a major commitment to peace by the parties to the conflict. It is the best chance at peace we have had since that conflict began. The Dayton peace agreement presents us with an opportunity to end the suffering in the former Yugoslavia. This is an opportunity we must seize now.

The formation of the implementation force for Bosnia will be authorized by the United Nations Security Council. It will be placed under NATO command and tasked to separate the warring forces and implement the military aspects of the Dayton peace agreement over a 12–month period. That is why it is wrong to compare this to Cyprus, where we had peacekeeping forces for almost 30 years. This is an essential part of the peace agreement. Without it, parties to the agreement believe there can be no peace.

The parties to the Dayton peace agreement are not alone in recognizing the importance of seizing this opportunity to bring peace and stability to the former Yugoslavia. The response of the international community to the call for an implementation force has been rapid. In addition to our partners within NATO's military structure, 19 non–NATO countries have indicated their willingness to participate in IFOR.

• (1340)

It is important to recognize that a Canadian contribution to IFOR represents but one dimension of a comprehensive approach to bring a lasting peace to the former Yugoslavia.

Canada will also remain engaged in humanitarian and refugee issues. We will remain politically involved, counselling diplomacy and negotiation in addressing problems as opposed to a resort to arms only. We will engage ourselves fully in the multinational effort on economic restructuring and social rehabilitation in the former Yugoslavia.

In this regard I would suggest that Canada's focus should be on social rehabilitation and the development of democratic and just societies. This focus would include the promotion of human rights and ethnocultural tolerance in the states of the former Yugoslavia and continued support for the work of the International War Crimes Tribunal.

Canada should engage itself in the promotion of free elections in co–operation with OSCE. We should support the creation of national human rights institutions and work to promote free media. Some are even accusing the international media that fuelled this conflict in the first place.

Canada's commitment to the building of civic societies should also entail a concentration of assistance on community based projects and on the rehabilitation of social infrastructure in the former Yugoslavia. Canadian projects should be initiated in communities where inter–ethnic co–operation is beginning to emerge.

With regard to economic rehabilitation, Canada's contribution to a multilateral effort should be significant but not disproportionate to the contributions of European allies and the U.S.A. We could consider some debt relief within the framework of multilateral agreements reached at the Paris Club, if countries were to meet the eligibility requirements of such relief.

All these activities will ensure a comprehensive Canadian approach to the post conflict situation in the former Yugoslavia. Integral to this is a continued Canadian effort in the field of security. The peace in Bosnia–Hercegovina remains dangerously fragile. The stability that can be provided by an international implementation force is essential.

In participating in the implementation force, IFOR, Canada can make a unique contribution. There is no more experienced or well trained peacekeeping force in the world than ours. To participate in IFOR means to accept our responsibility to continue addressing a conflict we have been concerned with from its very inception. To do less would mean walking away from a conflict that has challenged key Canadian values and interests before it is effectively resolved.

It would be wrong for us to walk away from a job only three–quarters done, ignoring the hard fought investment of Canadians made over the last four years. We must continue our efforts to bring peace and stability to the former Yugoslavia. This requires solid Canadian participation in the military force to guarantee the implementation of the peace agreement.

It is an essential element in a comprehensive Canadian approach to peace in the former Yugoslavia. It is our best hope to ensure that the dreams and talents of the entire generation of Bosnians are not lost to war.

On a personal note, I have many constituents from the former Yugoslavia, from the different ethnocultural backgrounds. Every one of them is urging us to continue the Canadian participation and assistance. That is their wish as Canadians. I welcome concrete suggestions rather than hon. members taking their 20 minutes—

The Acting Speaker (Mr. Kilger): Order. I understand a large number of members from all parties want to participate in this important debate. If in fact members will be splitting their times, 10 minutes is not as long as members are customarily used to. I would just caution the House so that we might get as many members as possible to participate in the debate.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I rather agree with the Secretary of State for Foreign Affairs that there are two reasons why we cannot easily pull out of these peacekeeping missions.

• (1345)

Strictly on humanitarian and compassionate grounds, I do not believe we can ignore such suffering. However, we must also recognize that, in an open world, there is so such interdependence that we have to realize that any conflict anywhere on this planet will affect us sooner or later.

Having said that, I must state that, in my opinion, the problem lies in the type of mission in which Canada will be participating. The bottom line is that Canadians would like to know, as would Quebeckers, what the exact nature of Canada's involvement over there will be.

What I would like to ask the secretary of state is the following: How can we make sure that Canada will have a say, significant say, in the decision on what type of contribution it will make in the former Yugoslavia?

[*English*]

Mr. Flis: Mr. Speaker, I thank the member for his intervention. There will be a series of implementation conferences, co–ordination conferences, et cetera. That is why this debate is so crucial. Before ministers go to these conferences, they want input from parliamentarians sitting in this House.

Let me make it very clear. Before it even goes to that level, it must go to cabinet. Before going through cabinet, cabinet wants our ideas. While we are debating here, the Department of Foreign Affairs and the Department of National Defence are holding expert consultations.

This process is ongoing. The process of consulting Canadians never happened under previous governments. It is happening now. Again I urge members, if they have constructive ideas they

should go to the cabinet table and to the international discussions we will be having. This is where we will show the world another example of how Canadians can work through consultations, how we can work putting partisan politics aside.

When we are representing Canada abroad, be it in peacekeeping, be it in any forum, that is when partisan politics are put aside. We are representing Canada, united, undivided, strong. That is when the peacekeepers really have high morale and that is why I am so pleased that the Reform Party has changed its attitude toward our peacekeepers abroad.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I remind myself that I am speaking on a motion by the Minister of National Defence:

> That this House take note and welcome the recent Dayton peace agreement and the international community's continued efforts to bring enduring peace and security to the Balkans, and Canadian support of these efforts by participation in a multinational military implementation force under NATO command.

In the next 10 minutes or so I plan to talk about the new ground we are breaking, what are the trends, talk about what I see the missions are and give some possible areas of the difficulties that I foresee. Maybe from that one could draw some ideas about some of the things that Canadians could do with the considerable experience they have had in peacekeeping.

I want to start by going back to 1947. It depends on how one reads history, as the member for Renfrew—Nipissing—Pembroke mentioned. If members look at history they have to look at the trends. If they look at the trend beginning in 1947 and the 40 years until 1987, there were really 13 peacekeeping missions.

From 1987 until this year there have been double that or 26. If members look at 13 in 40 years and 26 in 5 years, there are twice as many in one–fifth the time. Therefore there is a factor of 10.

Whether that factor of 10 will continue to rise, I am not sure. It is an indicator that what we are doing now we are likely to have to do again some time in the not too distant future.

This is peacekeeping operation No. 40 in the world. I believe it is the most challenging one and that it will allow us to break new ground.

• (1350)

There is another aspect of this which, if it does not bother me, it guides me in my personal belief of what should be happening. There are 184 countries in the world. Some are very large. We are the second largest of the countries. Some are very small. Of the 184 countries, what is important to remember with respect to ethnicity, cultural differences and various other differences is that only 10 per cent of those countries have any kind of homogeneity in their population. Of those countries the 10 per cent has an ethnic grouping of about 75 per cent.

What we are seeing here may not be the end of our involvement in historical patterns. For that reason it is important for us to debate this issue. What we decide today will be debated in cabinet and will eventually become the Canadian decision. It will set ground rules for future involvement in what will inevitably be the result of these kinds of actions downstream, hopefully not too soon, but in all likelihood before this Parliament ends.

When considering the 44 months of difficulty which have existed in Bosnia, it is uplifting to talk about a chance to change the horror of war to the prospect of peace. A quarter of a million people have been killed. In the city of Sarajevo 10,500 people were killed. There are up to a million refugees. It is a very sad situation. They have a decimated landscape of shattered buildings, roofless homes, deserted towns and countless graves scattered in the hillsides, bearing the names of young men and women who were born after 1970.

The special joint committee of which I was privileged to be a member saw all of this. There is a battered, bombed out mental institution in Bacovici being run by Canadian soldiers and the wretched inhabitants of this institution depend on Canadians for their very existence.

In a civil war such as the one we have witnessed in Bosnia there are no winners nor are there likely to be winners. The only likelihood of a winner is the prospect of peace. Peace can be the only victor in this lexicon of issues.

The peace implementation plan, although it is not perfect, offers hope that some things will be no more. There will be no more days of dodging bullets and nights of artillery barrages. There will be no more winters of freshly dug cold and sinister graves. There will be no more years of isolation from the outside world.

There are 10 highlights to the Bosnia peace accord that were mentioned by the Minister of National Defence this morning. First, Bosnia remains a single state within a present border. There will be a Bosnian–Croat federation with 51 per cent of the territory and a Bosnian–Serb republic with 49 per cent.

Second, there will be a rotating presidency, beginning with a Bosnian–Muslim, a two–house Parliament and a constitutional court. The central government will have responsibility for foreign policy, foreign trade, monetary policy, citizenship, immigration and other collective issues.

The capital, Sarajevo, is united and under Muslim–Croat control. This may prove to be difficult in the future honing and improving of these negotiations.

International supervised elections should take place next year, or in the foreseeable future.

Almost a million refugees will be able to return home and people may move freely.

The control of Brcko, a Serb held town, will be decided by an arbitration panel made up of Muslims, Serbs and Europeans.

It is important to the issue that there will be a corridor of between three to five miles in northeast Bosnia linking the Serb held smaller territory to the east to the central northern part by a corridor called the Posavina corridor. That is still the subject of some intense negotiation.

• (1355)

The Muslim held town of Gorazde will be linked to the federation by a land corridor. The Serbs retain Srebrenica and Zepa, Muslim enclaves they overran last summer. Last but not least, the NATO implementation force will be participating in the near future. In fact it has already started.

What are the NATO objectives? There are two, primary and secondary. The primary objective, as I see it, which I will put slightly differently but with the same thrust as the Minister of National Defence, is to oversee the withdrawal of warring factions from a buffer zone about five kilometres or two and a half miles wide created in most places along the current cease-fire lines. After a certain period of time, maybe 30 or 45 days, this zone will be widened to five miles or more, except in Gorazde, Sarajevo and Brcko which, as I mentioned earlier, will have special boundaries.

The secondary mission is removing land mines and also quasi–military roles such as providing security for relief agencies, delivering food and other necessities of life and ensuring passage for the thousands of refugees that I mentioned.

To try and prevent small conflicts from growing there will be an agreement that several commissions could be created to discuss this.

I have given the background of what I believe is the setting for Canada's participation. We are breaking new ground. This is the first time that NATO has had a pure peacekeeping role. It is not only NATO. We are involved with the partnership for peace, our future allies, and Russia has a role to play with a command and control system that has been set up for the very first time.

Quite frankly, as a parliamentarian and a member of the government, there are risks involved. There have been risks in every peacekeeping operation. However, I quote the hon. member who stood up a few moments ago and said: "The risk of not participating either monetary wise or the risk of lives or wounded may be much greater than not participating".

From the various debates we have had in the last two years, from the special joint committee on defence, the white paper discussion and the present discussion on reserves, it is very clear to me that Canadians are prepared to and want to take this risk and participate in this operation.

It is the role we have to play. I really implore the opposition members, after their political rhetoric, to give the government some indication of what they believe the Canadian people would like us to do so that we can be guided in the cabinet discussions and downstream decisions.

[*Translation*]

The Speaker: My dear colleague, we shall proceed to the period set aside for questions and comments immediately after oral question period.

[*English*]

As it is now two o'clock, we will begin Statements by Members. The hon. parliamentary secretary will have the floor when we come back.

STATEMENTS BY MEMBERS

[*English*]

CANADA SAVINGS BONDS

Ms. Susan Whelan (Essex—Windsor, Lib.): Mr. Speaker, I rise to recognize and commend the Minister of Finance for his announcement in September that Canadians were able to purchase Canada savings bonds for registered retirement savings plans, RRSPs, this year.

In my riding, when I held prebudget consultation meetings last year, many of my constituents recommended the creation of a debt bond similar to victory bonds as a way to ensure that more of our national debt was held by Canadians, lessening our dependence on the international money markets and money speculators.

The Essex Canadian Auto Workers political action committee met with me this summer to advocate that Canadians be able to use Canada savings bonds as RRSPs. I thank the members of the CAW for their continued interest in Canada's fiscal health.

The changes made this year show that the government and the Minister of Finance listen to Canadians and are willing to act on Canadian suggestions for better handling the nation's finances.

I encourage all Canadians to participate in prebudget consultations. Their suggestions will be heard. I also thank Canadians who took advantage of the new option and purchased their RRSPs through Canada savings bonds this fall.

[*Translation*]

INDIAN AFFAIRS

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, on Friday Bloc members questioned the Minister of Indian Affairs on the paternalistic and disdainful attitude and intentions toward aboriginal people shown in a memorandum written by his assistant deputy minister.

In his reply, the minister launched into a full scale attack on sovereignists and on the government of all of the people of Quebec.

While refusing to be answerable for the inappropriate suggestions of his assistant deputy minister about buying off the aboriginal people, the minister launched into an attack on Quebec which was remarkable for its exaggerations and inaccuracies. He even said that I had been kidnapped by the Mohawks. What a pitiful performance, and what disdain for the democratic system, coming from a minister of the crown.

* * *

[*English*]

NATIONAL UNITY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, when the Liberal government came to power in 1993 it promised things would be different. Yet the more things change the more they stay the same.

Look at the Prime Minister's Quebec package. In the referendum aftermath Canadians in every region of the country looked to Ottawa for a vision. The best our Prime Minister could offer was "Charlottetown lite", reheated Tory policies that had already failed inside and outside Quebec. Not only did the Prime Minister have to borrow the Tories' vision, he has also resorted to their bag of dirty tricks by invoking closure on his Quebec veto bill.

That's right, the government is going to shove its unity package down Canadians' throats whether they like it or not, limiting debate on a package that will not fly in any region of the country. The Tories were never so bold or undemocratic.

This may unite Canadians yet in their conviction to reject the old Canada and begin building the new: no more Liberal, no more Tory; in '97 Reform's the story.

* * *

NATIONAL SAFE DRIVING WEEK

Mr. Joe Fontana (London East, Lib.): Mr. Speaker, this week is National Safe Driving Week sponsored by the Canada Safety Council.

To mark the 40th anniversary of this campaign which is designed to promote safe driving on Canada's roads, Transport Canada would like to take this opportunity to remind Canadians that road safety is everyone's responsibility.

The theme of the campaign this year is the hidden face of impaired driving. Impaired driving is still a serious issue. Recent statistics suggest that over 40 per cent of drivers killed in car accidents had been drinking.

Transport Canada has also been working hard to reduce death and injury on our roads through initiatives such as the national occupant restraint program and the introduction of mandatory safety equipment for vehicles.

All Canadians can play a role in promoting safe driving, which begins with safe driving practices. Drivers must take extra care to use safety equipment such as airbags and seatbelts properly. Exercising common sense when driving a vehicle, observing speed limits and respecting the rules will make our roads safe for everyone.

National Safe Driving Week is an important campaign and I urge hon. members to endorse its goals.

* * *

PEACEKEEPING

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, today as we debate sending troops to Bosnia we must remember the accomplishments achieved over the past half century by Canadian UN forces.

We must embrace the vision of global peace and unity so recently articulated in Ottawa by UN Secretary–General Boutros Boutros–Ghali. Canadians must set the example as ambassadors of peace. To waver at such a historical moment in the history of these warring countries would be paramount to turning a blind eye to a starving child. Bosnia is starving for peace.

As members of a united nation, all Canadians must accept the challenge to make a lasting peace for all Bosnians.

* * *

NATIONAL UNITY

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, since the early 1600s Canada has grown geographically and maturely as a nation of which we are very proud.

We as the Liberal Party sat recently in opposition. We looked across the floor of the House of Commons and watched the present leader of the separatist party and Marcel Masse as Minister of National Defence and Roch LaSalle sitting in the cabinet benches of the Government of Canada wielding all their power and political philosophy at the utmost. Today they are campaigning to separate Quebec from Canada. They are misrepresenting the facts of life to the wonderful people of the province of Quebec.

Today we think about statesmen such as Baldwin, Lafontaine, Georges Etienne Cartier, Ernest Lapointe, Sir Wilfrid Laurier, Louis St. Laurent, Pierre Elliot Trudeau and the current Prime Minister who have and who are laying the foundation for a great future of a Canada that will always include Quebec. Unlike the leader of the separatist party in the House who changes political parties like he changes clothes, the Prime Minister and the Liberal Party—

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, the Prime Minister, who announced that the federal government would withdraw from manpower training, did not keep his promise.

• (1405)

By tabling a proposal that offers even less than the proposal made to the government of Quebec in June 1994 and dismissed out of hand by Daniel Johnson, Ottawa has again shown its inability to acknowledge the consensus in Quebec on the need for transferring the authority and resources for manpower training to that province.

From now on, the minister will be able to impose national standards if the provinces want federal funding, and if they do not accept Ottawa's standards, the minister will be able to go over the heads of the provinces and offer these programs directly to the unemployed.

It is now obvious why the minister waited until after the referendum to table his reforms.

* * *

[*English*]

THE ECONOMY

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Arise, young people of Canada. You have nothing to lose but poverty. This generation is ruining you. It leaves you with horrendous mortgages. You have heard of the visible mortgage.

The federal and provincial debt is about $800 billion and grows at well over $100 million a day. When you are raising your family almost certainly about one-half of every dollar you pay in taxes will go to pay interest on the mortgage this generation leaves you. Sadly this is only half the story.

There is another little known and largely invisible mortgage. Actuaries estimate the cost of benefits promised to pensioners through the CPP, OAS and medicare programs will double from about $50 billion to $100 billion per year. Your income taxes will be 50 per cent higher just to cover these costs.

Young Canadians, arise and join the—

The Speaker: The hon. member for Regina—Qu'Appelle.

* * *

SASKATCHEWAN

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, Saskatchewan is the best place in the world to live according to Martha Justus, an economist with Informetrica. She used the same United Nations human development index that ranked Canada number one among the countries of the world.

When this index was applied to the provinces, Saskatchewan came out on top. The UN ranking is an attempt to define quality of life by combining life expectancy, educational attainment and gross domestic product adjusted for cost of living.

The findings of Informetrica were no surprise to those of us from Saskatchewan. Our community oriented history and culture have produced some of the best social legislation. For example, the recent initiatives by our provincial NDP government gives many part time workers access to benefits usually enjoyed only by full time employees. This further enhances our quality of life.

Yes, Saskatchewan is number one.

* * *

INFRASTRUCTURE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, the Canadian infrastructure program is still in full swing in Peterborough where it represents more than $35 million and 68 construction projects in every village, township and city, both school boards, Fleming College and Trent University.

One feature of the program has been the way it has released moneys, private and public, being held in reserve for future projects. The release of these funds now has resulted in useful projects and has created much needed jobs. Money has been spent at the grassroots of the economy.

I strongly urge the government to build on its experience with the current infrastructure program and launch another. Perhaps the new one could be redesigned to deliberately tap more private sector funds. Perhaps it could include regional variants to accommodate special local needs. Perhaps priority could be given to particular types of infrastructure.

Let us consult with the municipalities and launch a new invigorated infrastructure program.

VIOLENCE AGAINST WOMEN

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, six years ago this week the promising lives of 14 bright, talented young women were lost in a senseless act of violence at l'École Polytechnique in Montreal.

Canadian women everywhere remain haunted by this tragedy. On Wednesday, Canada's national day of remembrance and action on violence against women, the tragedy of December 6 should stand as a symbol of the safe, just and peaceful society we must strive to create.

We must remember there is much strength to be gained from this awful sacrifice. Through dedication and effort and regardless of regional, linguistic, racial or partisan divisions, the memory of these women should inspire us to rebuild a nation founded on the principles of equality and respect where women shall no longer be victims.

* * *

• (1410)

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, last Friday the Minister of Human Resources Development tabled his unemployment insurance reforms. The minister told whoever wanted to listen that the purpose of his reforms was to adjust to the new demands of Canadian society and that it would be easier for the unemployed to re–enter the labour market.

However, now that the reforms have been tabled, it is clear that the impact will be far worse than we expected. The federal government hopes to reduce its deficit at the expense of women and young people.

Furthermore, in order to ensure that wealth is redistributed, Ottawa has decided to reduce the premiums of those who are well off by one billion dollars and, to make up for this reduction, increase the premiums of low–income workers by $900 million. Is that what the federal government calls justice and social equity?

* * *

[*English*]

THE LATE ROBERTSON DAVIES

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I stand today to pay tribute to the late Robertson Davies, one of Canada's most treasured writers.

Bridging Canada's two solitudes, a headline in the Quebec media reads:

[*Translation*]

"With Robertson Davies, Canadian literature has lost one of its titans".

[*English*]

This sentiment accurately describes Robertson Davies' status: a monument to Canadian literature.

Robertson Davies was to me a person of another world. I knew him by reputation only. When I first heard him on the radio I was impressed that he appeared as interested in hearing the opinions of others as in expressing his own. Acknowledged the world over as a great man of letters, Robertson Davies was also a man of the people.

Canada and the world are much the better for his presence and for being the beneficiaries of a great literary legacy on his passing.

* * *

BANKS

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, the Toronto Dominion Bank and the Bank of Montreal announced substantial increases in 1995 profits last week. Their profits rose 17 per cent and 19.5 per cent respectively over last year.

While these figures may earn the industry the respect of its shareholders, they are also drawing criticism from small and medium size business owners. We have all heard their frustration at the banking industry's reluctance to lend to the small business sector. We know it plays a critical role in our economy. That is why we are working hard to foster a new environment of opportunity for it.

We cannot do it alone. It is our view that the banks have a special obligation to assist small businesses in obtaining financing. Let us hope their increased profits motivate them to fulfil that important obligation.

* * *

THE LATE ROBERTSON DAVIES

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, Canadians mourn the passing of master writer, scholar, leading playwright and critic Robertson Davies who was instrumental in establishing Canadian literature at home and abroad.

His writings and teachings, particularly as Master of Massey College, had a profound impact on Canadian writers. A finalist for the Booker Prize in 1986 and recipient of the Nobel Prize for Literature in 1992, Robertson Davies was a recipient of the Governor General's Literary Award in 1972 and the Molson Prize in 1988.

[*Translation*]

His works contain a world of the imagination that mingles passion, magic, fate, lust and humour. His astonishing erudition made him an outstanding ambassador of Canadian letters.

[*English*]

A modest man with a gentle wit, when asked for a self–description he proclaimed: "I may not be the world's foremost swan, but I am not a duck". He leaves us, nevertheless, with a remarkable swan like legacy. He will continue to be an icon for future generations.

* * *

QUILT MAKING

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to speak about the fascinating art of quilt making.

Quilt making and the preservation of quilts are an integral part of our history. The art of quilt making reflects Canada's rural beginnings, and its continued popularity is living proof of the vitality and the art of this form.

Today quilt shows are just as popular as they were generations ago. Currently I am seeking Parliament's approval to proclaim the fourth week of every May as national quilters week. Such a proclamation will give these committed and tireless artisans the recognition they deserve.

• (1415)

I ask all members of Parliament to lend their support to this worthwhile effort.

The Speaker: I would say that that request was just a stitch in time.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, on Friday, the Minister of Human Resources Development finally unveiled his unemployment insurance reform, which will make it increasingly difficult for the unemployed to access the system. The reform provides that eligibility levels will be considerably higher and that those frequently out of work will be penalized, so that the first victims of these cuts will be young people, women and seasonal workers. The federal government is cutting $2 billion from the program.

Will the minister finally acknowledge that he waited so long to table his reform in order to avoid having Quebeckers know before the referendum that they would get hit with two thirds of the UI cuts, that is, about $640 million?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member does not have his facts straight.

The reality is that Quebec is affected no differently than the other provinces. The full mature year after the transition takes place, the next impact on the province of Quebec would be 7 per cent of benefits because a large proportion of the money we are saving is being reinvested to ensure that people in Quebec can go back to work.

That is what I do not think the hon. member fully understands. The whole purpose of the reform is to give people the opportunity, the resources and the support to be re–employed. It is about jobs. It is about work. It is about employment and the way in which governments can work together to develop partnerships to help people attain those very important objectives.

That is what it is all about and that is where the money is going. It is going to shift us from a program that previously provided a simple income benefit program. However because it is no longer relevant to the much tougher world of work we live in, we are now giving people a better ability to meet the kinds of demands and to do what they really want to do, which is to get a job.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the minister cannot deny the terrible effect the cuts in his reform will have on young people, women and seasonal workers, especially. Everyone is affected, but they are more so.

The minister cannot deny it, and I would ask him this: Since the federal government is using the surplus in the unemployment insurance fund to reduce its enormous debt, are we to understand from the $2 billion cuts announced Friday that, rather than improving its own finances through better management, Ottawa is trying to reduce the deficit on the backs of the unemployed?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, let me again point out some relevant facts. It is quite clear the hon. member has not looked at the report. He does not know what we are proposing.

There will be a substantial extension of coverage under the new proposal for part time workers or people who have multiple jobs. Half a million Canadians will be included in the program where before they received absolutely no coverage at all. A quarter of a million seasonal workers will be able to receive extended benefits beyond what they receive at the present time.

There will be the opportunity for more people to improve their earnings because we are basing it upon a much more realistic test, the test of hours.

To get to the question raised by the hon. member and not the prologue where his facts were wrong, the reality is that the money we are using is first to go into a reserve to stabilize premiums against a further recession. In that way we can ensure that future workers will not be hurt the way workers were in the past recession and we can ensure there is an infusion of money at that point in time. We are reducing the costs for both employees and employers as a result of this measure to stimulate job creation. We are ploughing back $800 million of employment benefits to help people get back to work.

• (1420)

This goes back to the very heart, the goal of what we want to do, which is to ensure that Canadians will have the opportunity to get a good job.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, when the minister talks of getting Canadians back to work, we cannot forget that, for more than two years, the government in power has done absolutely nothing to get Canadians back to work, except the poor and the unemployed with cuts. That is what happened.

The minister cannot deny this. Given that the level of employment in Canada has hardly budged and given the enormous cuts he is making to unemployment insurance, will he admit that, far from giving Canadians the dignity of work as he calls it, he is hitting them, pushing them towards welfare and condemning them to poverty? Because that is what his plan is about.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the poor member really has got himself wound up into the wildest coil of exaggeration I have seen in a long time.

As the member well knows and as he obviously should know, the reality is that since this government has come to power we have created close to 500,000 permanent jobs. The unemployment rate has gone down from over 11 per cent to 9.4 per cent. In Quebec alone, 119,000 new jobs have been created.

As we all know, one of the most important elements of this program is that in addition to helping people adjust to the labour market, buying the opportunity to get the kind of skills they need, they will also be able to generate between 100,000 and 150,000 new incremental jobs, of which 40,000 would be in the province of Quebec. It is worth fighting for 40,000 jobs, which is what we are doing. I wish the hon. member would join in that fight.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Thanks to the cuts resulting from the February 1994 budget and the present reform, the minister will enjoy a $5 billion surplus by the end of 1996, after requiring workers and employers to pay $6 billion back into the recession fund. This is a very substantial grab. Yet, this surplus will not be set aside but will go into the federal government's current revenue to reduce its deficit by $5 billion.

Are we to understand from its UI reform that the government intends to reduce its deficit not by improving management of government operations but by reducing UI benefits by another $2 billion?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, at the present time the unemployment insurance account is still in a deficit. That deficit was allowed to rise to $6 billion in the last recession because there was no reserve placed against it.

What is even worse is that at the same time the previous government jacked up the premium rates from about $2.05 to almost $3, a 50 per cent increase in premium rates at a time when the economy was going into recession. All that did was make the recession all that much worse.

We should learn from those lessons. We should not put Canadian workers in a position where all of a sudden money is drawn out of the economy when in fact money should be going back into the economy. One of the basic principles of this national program is to be counter–cyclical, to reinvest when times are bad and to put a surplus aside for protection when times are good.

• (1425)

We are learning that lesson. We are setting up a reserve fund so we can stabilize the premiums. In that way when there are problems in the economy we will not have to jack up premiums, we will not have to deficit finance, but we can make sure that we put the money back in the economy to keep jobs for Canadian workers.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, given the size of current surpluses and the maintenance of high premiums, workers will never be able to benefit from this surplus, which will only be used to reduce the deficit.

Since UI premiums and benefits are part of the government's revenue and expenditures, does the minister recognize that his so–called recession reserve is nothing but an accounting fiction and that this UI fund surplus will be used strictly to reduce the

federal deficit, as specified on page 11 of the government's own annual financial report?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, from time to time I have heard the hon. member for Mercier talk about the responsibility of members of Parliament to listen to the grassroots, to listen to people in their own regions.

I would like to quote a very important statement: "In order for unemployment insurance to fully play its role of automatic stabilizer, we feel that it would be advisable to set contribution rates in such a manner as to allow a surplus to accumulate during periods of expansion, thus avoiding the necessity to increase contributions during periods of recession". Was this le Conseil du patronat? No it was the CSN and the CEQ, the two major unions of Quebec which have advocated exactly what we are doing.

Some hon. members: Hear, hear.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the changes to unemployment insurance that the Minister of Human Resources Development announced on Friday will not create a single sustainable job.

The new 7 per cent payroll tax is a full time tax on part time workers and amounts to a massive tax grab. Since tabling his bill the minister and his officials have failed to inform Canadians exactly how much more money the government is getting from this tax grab.

Why will the minister not tell Canadians exactly how much money he is pulling out of the pockets of part time workers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, frankly the hon. member from Calgary just does not get it.

The member just does not understand the whole point of the reform which is to make sure that for the first time part time workers would get the security protection of the unemployment insurance fund. That is the whole point of the reform. If those workers make less than $2,000 they get the premiums refunded. She still goes not get it.

What has happened is there has been an artificial glass ceiling. Employers have set 15 hours where nobody has the opportunity to get access to maternity benefits, to get job security, to get retraining. As a result they have been sent home. What we are doing is we are opening up the door of opportunity and security for part time workers in Canada.

Some hon. members: Hear, hear.

Some hon. members: More, more.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, let me continue.

The new tax will hurt 2.5 million part time workers and their employers. The minister wants us to believe that this tax is revenue neutral. The fact is that the students and working moms targeted by the tax will be forced to pay for months, 910 hours to be exact which accumulates to months, before they can collect and few ever will. This is not a revenue neutral tax. This is a cash windfall of $1.2 billion at the expense of part time workers.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I did not hear the hon. member's question, but I suppose I can make up one for the hon. member and then answer it. Seeing she seems to make up most of the facts she uses, I might as well make up the questions that she wants answered.

• (1430)

Let us deal with the part time worker issue, one of the strongest cases that was made to us during the public hearings. I heard the hon. member's leader last week saying that we have to listen to the people. We did. They said that at this time, when there are increasingly more jobs of a part time nature or of a multiple job nature, we have to give people coverage. They did not have coverage. Under the old weekly basis, after 15 hours people were sent home; they were told not to work any more. The whole labour market was distorted as a result, and those people had no security. We have opened up eligibility for over half a million Canadians.

If that person, a student, male, female, or whatever the case may be—

An hon. member: A Reformer?

Mr. Axworthy (Winnipeg South Centre): We may have to look at the charter of rights for that.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is habit forming when we have to respond to the question mark. This is about killing part time jobs.

There is very little evidence that the part timer tax will benefit anyone except the federal coffers. Many businesses are opposed to this scheme. Ultimately, the increased cost to business will kill off the creation of part time jobs and generate huge tax revenues. In fact we expect this tax will generate over $1 billion.

How can the minister justify this $1 billion tax grab at the expense of part time workers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member should know, the cost reductions we have built into the program amount to $1.3 billion for small business employees and employers. That has a very strong job stimulating effect.

Second, we have also built in a rebate for small business. If there is an increase in premiums they will receive a 50 per cent rebate. Obviously the hon. member did not know that either.

Third, to repeat, if a worker, up to $2,000 of income, does not want to claim their eligibility, they have a right to a full $2,000 refund on their taxes.

It seems very clear. Now that we have a question from the hon. member, we understand that the question is not based upon anything she has read in our report.

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In June 1994, the federal government offered to transfer budgets for several manpower training programs to the Government of Quebec. Daniel Johnson rejected the proposal out of hand, calling it a bargain basement agreement. Ottawa is now offering to give assistance the unemployed directly.

Will the minister admit that his reform proposal does not even go as far as the offer made in June 1994, in that the plan is no longer to transfer budgets to the Government of Quebec but to send cheques to the unemployed directly? Does he recognize that the federal government is not, in fact, withdrawing from the area of manpower?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would have expected that surely by this time the hon. member would have caught on that in fact we are going much further than the previous offer.

The Prime Minister over a week ago said that we are withdrawing from the area of education and training. In fact we have introduced in the legislation that there would be no direct involvement in terms of a voucher unless there was provincial consent.

Furthermore, we have clearly put on the table the entire global amount of expenditures we make, which in the province of Quebec right now is about $500 million or $600 million, plus the savings that will be generated, which will be another $240 million, to determine how we could work out a partnership with them. If they have delivery mechanisms that suit the criteria for the clients we must serve, we are quite prepared to use those delivery mechanisms. We can sit down to work out how we can eliminate duplication and overlap in these areas. We can work out common employment plans at the community level. We can discuss how we can share resources.

This is a real attempt to find a new partnership for employment with every province and help people get back to work.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, what Quebec wants is for the federal government to withdraw from this area where it has proven totally ineffective over the past 15 years.

Does the minister realize that by sending cheques directly to the unemployed, his department is preventing Quebec from putting in place a real manpower policy, just to give the federal government visibility with the unemployed?

• (1435)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, in 1941 the provinces, including the province of Quebec, gave to the federal government the responsibility for the unemployment insurance program. It is part of the Constitution. In case the hon. member has not read the Constitution lately, it is in the Constitution. For all those who pay into the system, we are the trustee to ensure they receive proper benefits.

We are making sure that those who have the right they establish with their payment of premiums have the right to receive the benefits. We do not care who delivers them; we simply want to ensure, as a result of our trusteeship, that they receive those benefits. That is part of the Canadian Constitution.

* * *

UNEMPLOYMENT INSURANCE

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Minister of Human Resources Development announced that his five-cent reduction in UI premiums on $100 of insurable earnings would create 24,000 full time jobs in Canada. More money in Canadians' pockets equals more jobs. It is as simple as that.

We have to wonder why then the Minister of Human Resources Development is taking a 7 per cent tax bite out of the pay cheques of part time workers in this country.

If a token UI premium reduction creates 25,000 full time jobs, how many jobs will be lost when the government takes $1.2 billion out of the pockets of part-time workers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the problem with that question is that the hon. member has been listening to her colleague from Calgary and they both have it wrong.

We have said very clearly that part time workers will now be covered by the UI system, and if they want to have a rebate on their premiums they will receive a rebate. Should I repeat that again? Should I underline it? Should I get a red pencil so they can understand it properly? Up to $2,000 there is a full rebate of all those premiums.

On the other hand, those who want to come into the system and become eligible will pay the proper premiums so they can receive the protection of maternity benefits, sickness benefits, they are protected against being out of work and have programs to get back to work, all the protection they do not have now.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, we are talking math, and I suspect it was not a prerequisite when the Minister of Human Resources Development got his job.

My strength is not math either, but I can figure out this much mathematically. According to his own department, a $900 million reduction in UI premiums creates 25,000 full–time jobs. That is one job for every $36,000 in reductions. Using those same figures, the minister's $1.2 billion tax grab would kill close to 34,000 jobs in this country.

Will the minister confirm that this tax grab on part time workers is a job killer? And if he does not agree with our figures, maybe he could provide the House with his department's own research in this area.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would suggest that the hon. member read the guide that was tabled at the same time, because that is where the full information would be disclosed.

The reality is that when someone receives coverage under the insurance program they pay a premium. That is what an insurance policy is all about: they pay a premium and get a benefit. Now we are saying that part time workers who were denied any coverage and not included in the program will be able to get the coverage. If they do not receive eligibility they get a rebate. That seems to be simple mathematics. They receive a rebate. That is the point of the program.

What I think the hon. member is clearly missing is that as this workplace goes through very substantial changes, part time workers and many workers who now have two or three jobs do not have sufficient hours or income to get coverage. As a result, it creates insecurity, which creates problems in the labour market. We are trying to restore security for over half a million workers.

• (1440)

[*Translation*]

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. After tabling a UI reform package that is really an extensive cutback program, the Minister of Human Resources Development is about to table an old age pension reform that goes along the same lines.

Will the minister admit that, after his all–out attack against unemployed Canadians, he is about to do the same thing to seniors?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have neither attacked Canadian workers nor do we intend to attack Canadian seniors.

What we are doing as a government is ensuring that this country is able to govern itself effectively. For workers, that means getting back to jobs. For seniors and people over the age of 65, that means making sure they have good security in their old age. That is the intention of this government.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): As a supplementary, Mr. Speaker, will the minister confirm that not only is the federal government set to cut old age pensions but that it will encourage, I repeat encourage, seniors to work part time upon retiring?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the only person who is guilty of inciting is the hon. member, who is making those kinds of false statements in the House and trying to raise fears that people should not have.

He has been told many times in the House, by the Prime Minister and others, that we would not be touching seniors' existing pensions. What we are looking at is the need to make a major reform in the Canada pension plan and other forums to make sure it is a sustainable program, that it provides security not just for this generation of seniors but for the next generation of seniors.

The basic purpose of government is to look ahead to the future. Unfortunately, this member only seems to be able to look to the past.

UNEMPLOYMENT INSURANCE

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I was going to ask a general question about job losses, but I am upset about the logical inconsistency of the minister. He should have been coached by somebody who understands this.

On the one side, the minister claims that reduction in legislatively mandated premiums on unemployment insurance creates jobs. Then the minister turns around and says now we will legislate increased premiums for part time workers. He claims that one will gain jobs and the other one does not lose jobs. Could he clear up this inconsistency for me?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, yes, because we are offering a rebate to employers who pay the premiums.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, that is clearly on some of those who get rebates, not the others. It is inconsistent.

Last month Canada lost 64,000 full time jobs. There are reports of a coming recession with threats of still further job losses. The red book reference to jobs, jobs, jobs appears to have been about job losses, not jobs gained.

My question is for the Minister of Finance. Since he proudly claimed credit for jobs created in previous months, will he now take responsibility for these job losses and tell us how he plans for Canadians to get back to work?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one of the obvious instalments in the job program is what we did in this program, which was to take a program that had ballooned to double its size over a decade and provide a way of refining that program and reducing many of its costs so that it can be a sustainable program.

Second, we are substantially streamlining the program so that business can save about $150 million on administration costs, which they can convert back into the job areas.

Third, the program generates $800 million of new employment benefits, which create a number of jobs for Canadians, especially those who have been long term unemployed.

Fourth, we have a major investment of $300 million to help develop in high unemployment areas specific investment funds and initiatives to help create jobs in those areas.

• (1445)

This is a major instalment of the job creation of this program.

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[*Translation*]

PURCHASE OF HELICOPTERS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence.

Probably in the hope of saving enough money to buy submarines that we do not need, the government is contemplating the purchase of about 20 American built Sea Hawk helicopters. However, this type of helicopter is known for experiencing problems at sea. This is not very reassuring, considering that these helicopters will fly over the sea 80 per cent of the time.

Will the minister confirm that he intends to spend close to one billion dollars to buy inadequate helicopters at a reduced price?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): No, Mr. Speaker.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the answer is short and clear.

Even if he will not confirm it, how can the minister justify his intention to award, once again without tender, a contract worth close to one billion dollars to buy helicopters from an American company, thus depriving, as we already mentioned, the Canadian aircraft industry, which is primarily located in Quebec, of any economic spinoffs?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member's statement is totally wrong.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, on December 1 last year I asked the Minister of Justice what action he was taking to protect women from violence.

Today I ask the Minister of Justice what legislative measures he has taken in the past year to implement the government's plan to deal with the issue of violence against women?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, first I must acknowledge the deep commitment and the enormous contribution of the hon. member in this area.

Although a great deal remains to be done, those things that have been achieved over the last year in dealing with men's violence against women have been brought about largely because of the contribution of my colleague and other members of the Liberal caucus.

Over the last year a number of steps have been taken to which I can refer in response to her question. On February 15 of this year, Bill C–42 became effective. Among other things, it provided in peace bonds that application can be made by someone other than the woman affected. An application might be brought by a police officer. The penalties were increased, the terms were made firmer.

I can refer as well to Bill C–41, the sentencing bill given royal assent in mid–July. Among other things, as a result of the initiative of the hon. member for Mississauga South, domestic violence was made an aggravating factor. As a result of the work by the hon. member for Brant, restitution was provided for victims of domestic violence.

A great deal remains to be done. I am proud to say we have already taken steps this year that will make a difference.

* * *

IMPLEMENTATION FORCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, we have no details about the Canadian role in the upcoming NATO deployment or the size of the contingent or much else. The defence minister says the cabinet will decide tomorrow.

Some hon. members: Oh, oh.

Mr. Mills (Red Deer): Will the minister table this proposal in full detail and allow Parliament to have—

The Speaker: Members will recognize that the Chair must wait and listen to what the question is going to be, rather than just the preamble. This question, in my view, is out of order.

If the hon. minister would like to address it, I will permit him to, but in my view it is out of order. We will go on to the second question.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I apologize for that. I did check with the Clerk to try and look at the rules.

We have talked about many human rights abuses in all parts of the world. We have talked about the genocide that has occurred in places, particularly the former Yugoslavia.

● (1450)

I would like to know what the government has in mind for all of our forces any place in the world to handle how they are going to deal with the issue of genocide.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, again this does touch to some degree the debate that is before the House.

The troops of the Canadian forces proved what the appropriate actions are when faced with the genocide in the former Yugoslavia. Were it not for the presence of our forces and the UN in general many more thousands of lives would have been lost.

The Canadian Armed Forces need no lessons from the hon. member across the way with respect to dealing with difficult situations. In any combat or any engagement the forces are committed to they will operate to the best of their abilities. They will use the Canadian standards of fairness and tolerance in the application of their duties including the application of force.

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[*Translation*]

INFORMATION HIGHWAY

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

We just learned that the Minister of Industry is about to award a $100,000 contract, to write his speeches and advise him on the development of the information highway, to the firm that lobbies him on behalf of businesses having an interest in the information highway, including Astral, Unitel, Western International Communications and many others.

By letting lobbyists representing these businesses write his speeches and dictate to him his policies concerning the information highway, how can the minister claim to protect the interest of Canadians in that regard?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first I remind the hon. member that it was not that long ago that we brought forward the toughest, most extensive lobbyist registration legislation in the western world and he did not support it.

Second, I would indicate to him that in the matter he has raised, the issue of conflict of interest was raised with the ethics counsellor. He reviewed the arrangements the firm in question had put in place with a view to applying the same principles which apply within the legal profession, as approved by the Canadian Bar Association.

The ethics counsellor indicated that in his view there is no conflict of interest that would arise if the contract in question were to be awarded.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my supplementary is to the Prime Minister, who is the main person responsible for preserving the integrity of this government.

Does the Prime Minister not find it unacceptable that the industry minister should be the spokesperson of businesses having an interest in the information highway, and what should we think of an ethics counsellor who sees nothing wrong with that?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am not sure whether the member had trouble understanding the answer, but what he needs to understand is that questions of conflict are ones which are taken extremely seriously.

The moment such a conflict was raised by a competitive firm for a contract which was being offered in response to a request for proposals, that matter was investigated thoroughly. The undertakings given and the oaths given were judged by the ethics counsellor to be sufficient to give us the confidence that no conflict would prejudice the work that was being done.

I want the hon. member to understand that the issue of integrity and conflict are very important. If he has any basis on which to suggest that we should not accept the oath or the systems that are in place, then let him come forward with specifics as to what his problem is in particular.

* * *

CANADIAN WHEAT BOARD

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, my question is for the Minister of Agriculture and Agri–Food.

Prairie farmers are outraged at the recent revelation that Canadian Wheat Board commissioners were given severance packages of up to $290,000. In November 1994 I submitted an access to information request for all available information on pension plans and wages for Canadian Wheat Board commissioners. Agriculture Canada replied "no such documents exist" regarding my request.

• (1455)

In August I challenged that reply but got no response. Why was the minister hiding this information?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I will check the paper trail to which the hon. gentleman refers and I will ensure that all requests for information are properly responded to.

However, the hon. member should know that the severance arrangements to which he has referred in his question with respect to the Canadian Wheat Board were developed about 15 years ago with the concurrence of the Privy Council at that time. When those severance arrangements were developed, none of the current commissioners was in office.

This year, in consultation with the Privy Council Office, I have made arrangements to modernize those severance arrangements, to bring them into line with other requirements.

The hon. gentleman can point no finger of blame at the current commissioners of the Canadian Wheat Board because they were not in office at the time when the severance arrangements were put in place.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, the last time I asked for information in the House, the RCMP were accused of using improper procedures. I wonder which cowboy in the agriculture ministry threw the lariat the wrong way. It was the Liberal government which 15 years ago allowed these excessive perks and privileges to infiltrate the Canadian Wheat Board.

Why does the minister not make these perks and privileges retroactively disappear, like the government did with the Pearson airport deal?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the arrangements under which the current commissioners came into office were legally in effect at the time when their services were engaged by the Government of Canada.

* * *

THE ECONOMY

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, my question is directed to the Minister of Finance.

The Standing Committee on Finance, of which I am a member, has been listening to Canadians' suggestions for the 1996 budget.

When will the minister appear before the committee to provide us with his views on the deficit problem and other economic issues? What message will he bring?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I am pleased to announce that the Minister of Finance will appear before the Standing Committee on Finance the afternoon of Wednesday, December 6.

In his appearance last year the minister requested the help of the committee in suggesting appropriate actions to hit the 1995 deficit target. This year, however, we are firmly on track for our target. Last year the minister laid out the principles of deficit reduction and this year he will confirm his commitment to those principles. The committee will be asked to focus on reflecting the priorities of Canadians as the 1996 budget is prepared.

* * *

EMPLOYMENT

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is also addressed to the Minister of Human Resource Development.

In 1990, 87 per cent of unemployed Canadians were eligible for unemployment insurance. Two years ago the Liberals drove it down to 50 per cent. The CLC predicts that the latest announcement means that two–thirds of out of work Canadians will no longer be eligible for unemployment insurance, around the same level that exists in Mississippi.

How can the minister claim that this will benefit working Canadians? Surely they are trying to balance the deficit on the backs of out of work Canadians.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the one thing I sincerely wish the president of the CLC for Christmas is a pocket calculator so he can get his figures right.

Quite clearly the economist who made those statements is a prime candidate for the remedial training programs that we are prepared to offer under the new employment package. He simply does not know what he is talking about.

* * *

• (1500)

[*Translation*]

HUMAN RIGHTS

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is directed to the Deputy Prime Minister or to the parliamentary secretary.

Last Monday night, a Radio–Canada documentary on the television program *Enjeux* showed us the terrible fate met by infant girls in government operated nurseries in China. One million baby girls are literally left to die of neglect in institutions.

Will the Deputy Prime Minister tell us whether the Prime Minister intends to voice his condemnation of these unacceptable acts instead of settling for addressing human rights behind closed doors, thus condoning this shameful practice?

[*English*]

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, the human rights situation in China has always been a priority with the Canadian government. As a matter fact recently at the APEC summit meeting our Prime Minister had the opportunity to have bilateral talks with the president of the Chinese government, Mr. Jiang. He raised the human rights issue with him. We raise those issues not only in the bilateral forum but also in the multilateral forum, such as the UN High Commission on Human Rights.

We want to assure every member of the House that the Canadian government has put human rights on an equal priority with trade. We will continue to press those issues with the Chinese government.

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NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Reform Party and every member of this House would like to congratulate the performance of the captain and crew of the HMCS *Calgary* and the captain and crew of the Sea King helicopter in the rescue operation this past weekend.

Some hon. members: Hear, hear.

Mr. Hart: I would like to ask the Minister of National Defence: When can Canadians expect to hear about the bidding process to commence on the new shipborne helicopters?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is indeed heartening to have the hon. member at last congratulate the armed forces on one of its particular exploits. It was of heroic proportions and all Canadians should be proud of those members of the crew of HMCS *Calgary*.

With respect to the question of maritime helicopters, this is a matter, as I have said publicly before, that will be decided before the end of the fiscal year.

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 six petitions.

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CANADIAN TRANSPORTATION ACCIDENT INVESTIGATION AND SAFETY BOARD

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, in accordance with Standing Order 32(2), I have the honour to present, in the two official languages, the report of the auditor of the Canadian Transportation Accident Investigation and Safety Board.

This report deals with the financial year ending March 31, 1995. The report stands referred to the Standing Committee on Transport.

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have three petitions today. I wish to present a petition which has been circulating all across Canada. This particular petition has been signed by a number of Canadians from Fenelon Falls, Ontario.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

The petitioners also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the chronically ill, the disabled 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 or the aged.

FETAL ALCOHOL SYNDROME

Mr. Paul Szabo (Mississauga South, Lib.): The second petition has to do with fetal alcohol syndrome. The petitioners would like to draw to the attention of the House that consumption of alcoholic beverages may cause health problems or impair one's ability. Specifically fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

• (1505)

The petitioners therefore pray and call upon Parliament to enact legislation to require health warning labels to be placed on the containers of all alcoholic beverages to caution expectant mothers and others of the risk associated with alcohol consumption.

CORPORAL PUNISHMENT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the final petition was submitted to me by Mrs. Betty Pellier. It has to do with section 43 of the Criminal Code.

The petitioners would like to bring to the attention of the House that section 43 of the Criminal Code allows school teachers, parents and those standing in the place of the parent to use reasonable force for the correction of pupils or children under their care, and that the reasonable force has been interpreted by the courts to include spanking, slapping, strapping, kicking, et cetera.

The petitioners therefore pray and call upon Parliament to end legal approval of this harmful and discriminatory practice by repealing section 43 of the Criminal Code.

RIGHTS OF THE UNBORN

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have two petitions to present on behalf of people in the riding of Provencher.

The first petition concerns abortion. It was signed by a number of constituents from Niverville and Morris. These constituents respectfully pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, the second petition I have is with respect to assisted suicide and euthanasia. It has been signed by constituents from Rosenfeld, Rosenort, Niverville and St–Malo.

They too respectfully 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 change in the law which would sanction or allow in any way the aiding or abetting of suicide or active or passive euthanasia.

[*Translation*]

MINING INDUSTRY

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I have the honour to present a petition collected during the recent tour of the mining photography exhibit *Les galeries de mines*. The petitioners wish to draw the attention of the House to the fact that the Canadian and Quebec mining industry is the main employer in over 150 communities, a significant contributor to the gross national product and to Canadian exports, and a cornerstone of the Canadian economy. The petitioners therefore pray and call upon the House to take the necessary steps to support our mining industry.

[*English*]

DANGEROUS OFFENDERS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, today I have two petitions primarily from the riding of Windsor West.

The first petition refers to the steps the petitioners wish to be taken with respect to the apprehension, investigation, punishment and release of dangerous sex offenders and pedophiles.

ASSISTED SUICIDE

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, the second petition relates to the issue of doctor assisted suicides.

RIGHTS OF THE UNBORN

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, pursuant to Standing Order 36, a number of petitioners from my riding have asked me to present their petition. It draws the attention of the House to the following. The majority of Canadians respect the sanctity of human life and human life at the

pre–born stage is not protected in Canadian society. 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.

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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. 192 and 205.

[*Text*]

Question No. 192—**Mr. Hanger:**

Through which mechanism and in pursuance of which specific powers, either statutory or regulatory, is the federal government able to determine, for the benefit of the provinces, who among all individuals receiving welfare in Canada are sponsored immigrants?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Citizenship and Immigration Canada (CIC) uses memoranda of understanding (MOU) to facilitate the exchange of information on sponsored immigrants with provinces, and where applicable with municipalities, for the purpose of administering social assistance programs and for the department's own sponsorship initiatives. Privacy is a concern and the MOUs must respect federal and provincial privacy legislation. At this time CIC has MOUs with the municipalities of metropolitan Toronto, Peel, Windsor, London, York, and the Ontario ministries of community and social services and health. Negotiations are under way to sign MOUs with other provinces and municipalities that require them. In Ontario some municipalities require their own MOU because the provincial data base does not hold all municipal data.

The MOUs allow CIC to confirm with welfare authorities that an applicant is a sponsored immigrant and how long the sponsorship is for. They also allow welfare authorities to advise CIC when a sponsor has defaulted on his or her sponsorship agreement and to confirm that the sponsor has paid back the provincial funds paid out to the sponsored immigrant.

Question No. 205—**Mr. Gilmour:**

What was the total dollar amount, direct and indirect, and source of government funding per annum from 1990 to the present, including the 1995–96 estimates, to the Valhalla Society?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed as follows. In so far as the Department of the Environment is concerned,

1994–95, $58,325, environmental partners funds;
1995–96, $21,045, environmental partners funds.

In so far as Human Resources Development Canada is concerned,

1990–91, $1,671, Canadian jobs strategy summer employment placement;
1993–94, $2,624, Canadian strategy workplace based training placement.

The following departments and agencies have reported no information:

Canadian International Development Agency,
Department of Canadian Heritage,
National Capital Commission and
Natural Resources Canada.

[*English*]

The Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

* * *

[*Translation*]

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. 144 could be made an order for return, that return would be tabled immediately.

The Speaker: Is it the pleasure of the House that Question No. 144 be deemed to have been made an order for return?

Some hon. members: Agreed.

[*Text*]

Question No. 144—**Mr. Stinson:**

For each of the fiscal years 1992–93 and 1993–94, which groups received the ten largest amounts in federal grants for multiculturalism, and what were the amounts?

Return tabled.

[*Translation*]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1510)

[*Translation*]

THE BALKANS

The House resumed consideration of the motion.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, just before question period, the parliamentary secretary to the defence minister had just completed his speech. I noted that, as in the speech of the Minister of Defence, the government is not providing any details about Canada's intervention in the upcoming peace mission in Bosnia.

From the speeches we have heard in here since this morning, it is clear that, like the Bloc Quebecois, the Reform Party, which is to some extent in favour of participating in this mission, wants to know what the government intends to do.

This morning, we asked for details on how aid will be provided, the size of the contingent, the costs, the time frame involved and Canada's commitments if it were to once again take part in this mission. We had a fine description of Canada's entire in and of how proud everyone is of it, but now we would like the parliamentary secretary to tell us what the direct implications are, as they have yet to be disclosed.

[*English*]

Mr. Mifflin: Mr. Speaker, I am delighted the hon. member gave me an opportunity to comment on some of the things he said.

I really have a problem with this. The opposition parties say there must be a debate in order for them to have input and say what it is they believe the government should be doing. I have heard three speakers and they have sat on the fence saying: "I wish the government would tell us what it is going to do".

In my presentation I went through the roles and missions of the NATO force and what it is supposed to be doing, as did the minister. I listed the participating countries. I mentioned precisely some of the things we may be doing. Last week opposition members had a briefing for over an hour and received a 19–page document with maps, options, command and controls and rules of engagement.

I have some idea of what I would like to do, but I am not permitted to do it. We have to wait for a debate and we want to wait for a debate. The opposition parties are cajoling us. Now that we are having a debate they are criticizing us because we have not told them what it is the government wants to do. If they want us to do that, I imagine the government could accommodate them. We have a lot of good decision makers here, so we could decide.

I thought the purpose of the debate was to allow the opposition parties to have input with respect to roughly how much money they thought would be reasonable and what roles we should continue in peacekeeping. Should they be military roles or would they like the preponderance to be in the human rights area? Should they be quasi–military or quasi–civilian roles? Would they prefer us to put all our eggs in the special commission basket? That is what I want to hear from them. If they want us to tell them, we can do that. Which is it? Do they want to participate or do they not?

[*Translation*]

The Deputy Speaker: The time for comments and questions has now expired. Resuming debate. The hon. member for Verchères.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I welcome the opportunity today to speak in this debate on Canada's contribution to the NATO forces as part of the Dayton peace plan.

As you know, Mr. Speaker, on November 21 the three main belligerents agreed to end a conflict that has been raging for more than three years in the former Yugoslavia. The agreement which, for the time being, exists only on paper, was signed in Dayton, Ohio under the auspices of the Americans.

As part of this peace plan, a peace implementation force is to be deployed in the former Yugoslavia, mainly in Bosnia. The implementation force will consist of nearly 60,000 troops. This military force will be under NATO command. Most members of the North Atlantic Treaty Organization, with the exception of Canada, Denmark and Iceland which has no armed forces, have agreed to send troops for the military operation to take place under the Dayton agreements. In fact, Canada has yet formally to advise its allies whether it intends to participate in these operations and, if so, what its contribution will be.

That is why we are having a debate today in this House. The Liberal government claims it wishes to consult Parliament before making a decision on Canada's participation in this operation.

• (1515)

In the past few weeks it has been clear that the Liberal government does not play by the rules. In fact, we have a distinct impression of déjà vu.

The government has already made up its mind. This was obvious from a report in the *Citizen* on Friday, December 1, quoting National Defence spokesman Stéphane Corbin as saying that no decision had been made on the Canadian contribution. However, Canada's commitment is clear.

The Prime Minister already made it perfectly clear that Canada would send troops. On November 23, the Prime Minister said: "Of course, we will send troops, but the size of our contribution will depend on what we are able to do and what we are asked to do". In this statement, the leader of the government showed how little respect he has for this House, whose prerogatives he should be the first to defend, but he seems quite incapable of doing so.

This becomes even more obvious when we realize that the Prime Minister already agreed with UN Secretary General Boutros Boutros–Ghali on the duration of Canada's participation in this NATO mission. They apparently agreed that any country taking part in the implementation force would be

committed until peace was restored in the former Yugoslavia, whether it took six months or three years.

Making such a commitment without consulting Parliament, despite the changeable situation and the possible consequences, is very alarming for the future and shows a flagrant lack of consideration for the role of Parliament.

Despite condemning this kind of behaviour, the official opposition has a duty to fulfil its role in this House and to act in accordance with its principles and ideals. Not only because of our responsibility to our fellow citizens, but also because of our responsibility to the international community.

For these reasons and despite the partisan politics that can divide us in this House, the Bloc Quebecois supports the government's commitment to send troops to the former Yugoslavia so that the Dayton peace agreement can be implemented.

Despite its flaws, this agreement may be our last chance to end the conflict that has been raging for years in that region of the Balkans. Even if Canada's participation appears to lack public support and involves risks for our soldiers, we must not remain insensitive to what is occurring outside our borders.

For several years now, Bosnia–Hercegovina has been ravaged by a war to which we too often remain indifferent, because television often shows us only nameless faces that resemble millions of others. Yet, each person living in this region torn apart by this deadly conflict enjoyed an apparently normal life before all this started. Men, women and children have seen their lives turned upside down by this protracted, seemingly endless conflict. We have a moral obligation to them, because our responsibility is not restricted to the national territory of Quebec and Canada.

For most of their histories, Quebec and Canada have been spared from violent conflicts. Although we have long enjoyed a very enviable standard of living, we should not forget that others outside our borders are suffering and need our help. Given its status as an affluent nation, Canada has a responsibility to help those who are the innocent victims of war.

In response to our Reform colleagues, I must point out that we should stop looking at outside conflicts or problems as having nothing to do with our domestic problems. In this world of increasing globalization and integration, we must realize that international problems are also our domestic problems, and that our domestic problems are also international problems.

International developments have a direct impact on Canada and Quebec. When dealing, for example, with population movements, missed business opportunities, etc., we must realize that developments abroad have an impact on our domestic policies.

Our goal is not to interfere in another country's internal affairs. We will not be deciding for them what is good or bad.

• (1520)

Our responsibility is limited to preventing those who did not ask for this conflict in the first place from suffering and being killed. So far, this responsibility has been carried out through the UNPROFOR, as part of a peacekeeping operation. However, measures taken to date were unsuccessful in putting an end to the conflict and its disastrous consequences.

Two weeks ago, the three main belligerents unexpectedly agreed to stop fighting. But for the peace plan to work, they need our help. The help they need from us does, however, involve risks much higher than those faced by Canadian troops who took part in UNPROFOR peacekeeping operations in the past three and a half years, no matter what our defence minister says; he who would have us believe that the type of military intervention contemplated is no riskier than the peacekeeping mission started in 1991.

In fact, the risks associated with the military operation arising from the Dayton agreements are higher because the nature of the operation to be carried out by NATO is completely different from the one carried out by the UNPROFOR. The operations lead by the UN in the former Yugoslavia since 1991 were conducted under Chapter VI of the UN Charter, which allows only for the pacific settlement of disputes between parties concerned.

Article 33 is quite clear on this matter. It reads as follows: "1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice".

Then: "2. The Security Council shall, when it deems necessary, call upon the parties to settle their dispute by such means". This is what articles 33.1 and 33.2 say.

But what we are debating today is not a simple peacekeeping operation, in which acts of aggression, while always possible, are unlikely. We are talking about a major military operation designed to force peace on belligerents. To implement the Dayton agreements, our troops will be mobilized in accordance with Chapter VII of the UN Charter.

Under the provisions of this chapter, armed forces under UN command, or the delegated command of NATO in this case, are allowed to use all necessary means to restore peace and fulfil their mission. This kind of mission exposes our troops to much higher risks, as they are more likely to see fire. Of course, they will be able to retaliate, but they would definitely be exposed to much more brutal attacks.

It is the first time that such an operation is led by NATO since the Korean war, more than 40 years ago. Therefore, we must ensure that our participation is not tainted by an aggression that could jeopardize Canada's credibility regarding peacekeeping operations. The government must inform Quebeckers and Canadians of the possible consequences of such a mission. We have the right to know what dangers may lie ahead for our troops.

For that reason, the Canadian government must immediately tell us what its policy will be in the months to come in this regard. Unlike what occurred when our troops were sent to the former Yugoslavia as part of UNPROFOR, the Bloc Quebecois feels that, this time, Ottawa must take its place and stop being meek. As you know, throughout our participation in UNPROFOR, the number of Canadian troops remained around 2,000, one of the largest contingents after those of France and the United Kingdom.

Yet, the federal government was not able to ensure Canada's active involvement in the political decision making process to manage the conflict. In spite of its strong participation in UNPROFOR, our country was not included in the international contact group set up in April 1994 to find a solution to the conflict in the former Yugoslavia. That group included the United States, France, the United Kingdom and Germany. Given its implication, Canada fully deserved to be a member of that group.

Considering the large number of Canadian troops in the former Yugoslavia, we expected the federal government to take initiatives and propose solutions as to how to solve the conflict and end it. However, as we know, no such initiatives were taken.

• (1525)

Once it was decided to send humanitarian assistance and troops to maintain peace in the former Yugoslavia, Canadian diplomacy was content to let things happen. For these reasons, although we support Canada's contribution to helping implement the Dayton peace plan, we must be careful not to repeat past mistakes.

Therefore, we must immediately take a close look at all the issues relating to Canada's participation in the peace process in the former Yugoslavia. First, it is obvious to the Bloc Quebecois that Canada's participation in this NATO mission ought not to exceed the size of its UNPROFOR contingent, about 2,000 at its highest point.

Canada must make its intention of continuing to be actively involved in the peace process clear to the various stakeholders. I would like to take this opportunity to point out the regretfully low contribution of our European allies, with the exception of France, Great Britain and Germany, to this military force to be set up as part of the Dayton agreements. As for our own participation, it ought to be substantial enough to enable our diplomacy to play an active role in coming months.

The Bloc has difficulty seeing how Canada could send any more soldiers to Bosnia–Hercegovina. Over the past three years, Canada has spent $517 million on its UNPROFOR participation and on humanitarian aid for the former Yugoslavia, or nearly $172 million a year. According to the Minister of Defence, the annual cost of sending between 50 and 3,500 Canadian soldiers to Bosnia–Hercegovina, however, would range between $2 million and $75 million.

In the same breath, the Minister of Defence admits that the cost of taking part in a NATO mission is twice as high as for an equivalent UN mission. The Bloc's extreme scepticism about the Minister of Defence's figures is therefore understandable. That is why I am demanding, on behalf of Quebec's and Canada's taxpayers, that the federal government provide a clear figure for the expenses that would be incurred in sending troops to Bosnia–Hercegovina, and do so even before they leave this country.

Moreover, Ottawa must provide Canadians and Quebeckers with answers on the composition of the Canadian task force. The public wants to know, not only how many troops will be deployed, but whether only combat troops will be deployed or logistics and support troops as well.

There is no doubt in the minds of Bloc members that, judging from our past experience in peacekeeping operations, Canada ought to assume tasks more closely related to monitoring and communications, both being areas in which we have recognized expertise. In other words, only a small proportion of our force should be combat troops.

The public also has the right to know how long our troops will be in Bosnia–Hercegovina. According to the Department of National Defence, allied chiefs of staff have agreed on rules for troop deployment for a period of 12 months. What if the government wants to extend the mandate of our troops? Will Parliament be asked to do so two days before their mandate expires, as was the case last April, when it was asked to renew the mandate of our peacekeepers with UNPROFOR? And will the Canadian government once again have made up its mind, as it did today, before the matter is tabled in Parliament? Will it show the same lack of consideration for the people of Quebec and Canada?

Will Canada have a political say in how our soldiers are used? This matter is an important one for the Bloc Quebecois. We realize that Canada has a moral obligation to participate in the implementation of the Dayton agreements. However, this obligation should not obscure the fact that we also have a responsibility to the public and to the soldiers who will be deployed over there. The Bloc Quebecois feels that the Canadian government should at all times have the right to withdraw its troops from this

mission. Ottawa should provide assurances to that end as well as a plan for emergency withdrawal.

According to the latest news, France, Belgium and Canada wanted a say in operations in case of incidents on the ground, but the United States objected.

• (1530)

It seems the matter has been resolved, but no one knows what transpired. The Canadian government must answer these questions before sending a single soldier to Bosnia.

Today, the public does not know how many of our troops will be sent over there, what role they will play or to which international division they will belong. Although these questions are important and deserve clear answers, the public is even more concerned about the risks to which our soldiers will be exposed.

There are also a number of other aspects involved in the implementation of the Dayton peace agreements, and I am referring to the trial of war criminals. As far as the Bloc Quebecois is concerned, the war crimes tribunal set up by the United Nations must pursue its mission fully and independently. According to my party, amnesty is out of the question for those who are accused of war crimes, including Bosnian Serb leader Radovan Karadzic and General Ratko Mladic.

The Dayton agreements indicate that these two individuals are to be excluded from political life, and rumour has it that these "warlords" may benefit from some kind of amnesty. Can the Government of Canada tell us whether it intends to insist that our allies and the international community respect the mandate of the international criminal court? Anything else would be unacceptable to us.

If the Dayton accords can be implemented without too much problem, we will have a moral obligation to help the people of the former Yugoslavia rebuild their country. We will have to see what we can do, from an economic point of view. So the federal government should take a clear stand immediately on the role it intends to play at the meeting of the World Bank in Brussels on finding funds for Bosnia–Hercegovina. Similarly, we might ask ourselves whether Canada can help in the expunging of Bosnia–Hercegovina's foreign debt, given the lamentable state of its own public finances. These are the questions that warrant our attention, and the position of the Canadian government should be clarified as quickly as possible.

In closing, allow me to once again express my regret at the fact that the federal government had decided before holding this debate that it would send Canadian troops to former Yugoslavia. In so doing, as it did with the renewal of Canada's participation in UNPROFOR in May, the government is demonstrating a lack of respect for Canadians.

We would like the government to consult this House within a year on whether we should pursue our involvement, and we would hope that it would not do so within a couple of hours of renewing the mandate.

Finally, I would like to point out that, in view of the change in our soldiers' mandate in Bosnia–Hercegovina, it would appear vitally important that the government keep open the option of withdrawing our troops at any time. If the NATO mission is incident free, so much the better. However, should the situation worsen, the government should keep all its options open, including that of bringing our troops home.

The latter possibility should not be taken lightly, because just last Saturday, General Ratko Mladic, the leader of the Bosnian Serbs, said that the Dayton agreements on Sarajevo should be renegotiated and that the Serbs would never agree to being governed by what they call the "butchers". A short while ago, the American general, John Shalikashvili, said the following on the NATO mission in Bosnia–Hercegovina as well:

[*English*]

"The mission will be tough, there is no doubt about it, and we have to be prepared for casualties".

[*Translation*]

The federal government will soon be sending troops to Bosnia–Hercegovina as part of a mission to impose peace, which will not be fun and games. The federal government must therefore know what to expect and act accordingly, because the lives of our troops are at stake. Ottawa must also get busy about other aspects of this mission, including proceedings against those guilty of war crimes.

The government may rest assured that the Bloc will be watching carefully and will follow the situation closely to ensure that the interests of our troops and, of course, of the people of Bosnia are looked after.

• (1535)

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I want to thank my hon. colleague for a presentation that certainly relates to the debate. I want to make a couple of comments with respect to the more pointed nature of my feelings on what he had to say.

I certainly do understand his concern as a member of the opposition about the possibility of changing the structure, the participation, the withdrawal, or the future of any NATO force and the Canadian participation without a debate in the House. I would at the same time quickly remind him that his leader was a member of the government who not more than four years ago participated in committing a very large Canadian force to the Persian Gulf without as much as one word of debate in the

House. I will tell him that if that has to happen, I would ask him to be considerate because it is not without precedent.

The previous government, of which his leader was a cabinet minister, used the phrase that it was not expeditious and propitious to do that. It is not always propitious and expeditious, so I would ask him to have understanding for these kinds of things.

I was expecting to hear from the parties opposite some comment on the size and structure of the force. I will give the hon. member credit, he talked about the possibility of surveillance and communications troops. However he did not give any indication of the scope of money he or his party were prepared to support.

The opposition parties, both the main opposition and the third party, have been mouthing off to the press. They have been going through a great litany and lexicon of rhetoric about not having a debate. Now that the time has arrived, lo and behold, they do not want to tell us what is on their minds. I have not heard a member of the opposition, with the exception of the possibility of surveillance and communications troops, say anything about what they would like to have in the way of whether it should be military, quasi–military, should we be a member of the commission, what kind of rules of engagement we should have, what kind of a force we should have that is tailored to this kind of a mission, what kind of conditions we should have in place to withdraw.

The conditions are right for the members of the opposition to stand up and put their money where their mouths are and tell us what they want to do. Do not be afraid. We will consider it. We may not do it to the letter of the law, but give us some range. What do they have in mind? What are we good at doing? Should we continue doing what we were doing before or should we do something differently? What other areas of expertise would they like us to use? Mr. Speaker, ask them to tell us what they would like to do.

[*Translation*]

Mr. Bergeron: Mr. Speaker, I ask the parliamentary secretary, to read the remarks I made a few minutes ago, when they are available tomorrow.

The parliamentary secretary claims that we made no suggestions to the government. He really should read what I said, because we made many suggestions to the government, and it ought to consider them. None of the speeches by members on the government side this morning ever mentioned the number of troops it intends to send to Bosnia or the length of time they would have to stay there. None of the speeches made by government members mentioned the type of troops to be sent there. Should they be combat troops, communications troops, engineering troops, medical support troops?

The government has been absolutely silent on this issue since it called this debate. Today, we are asked to debate this issue. We readily admit that it is up to the government to make decisions on foreign policy, but we do not recognize in this debate the commitment made by this government to consult Parliament on foreign policy issues, since these are always hurried consultations. When Parliament is consulted, it is always in a hurry. On the one hand, members of Parliament cannot prepare adequately and, on the other, they know that the government has already made up its mind and decided what to do even before they were consulted. This whole consultation process in the House is nothing but a sham.

• (1540)

When the parliamentary secretary claims that we do not recognize this role of the government, stating that the present Leader of the Opposition was a member of the previous government, I simply remind him, because he does not seem to have noticed yet, that the Leader of the Opposition resigned from the Conservative government and is now the leader of the Bloc Quebecois.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am absolutely astounded at the hon. member's suggestions. I know my colleagues in the Reform Party, who have been weak kneed today, agree with me at least in respect of the hon. member who just spoke, who has made these outrageous suggestions that somehow the government is at fault for not explaining its policies.

I sat here this morning and heard the Minister of National Defence make the most lucid remarks explaining the government's position and saying what he felt the government's obligation was. He laid it out for all members of the House to hear. The hon. parliamentary secretary made a speech that was a model of clarity and brilliance. Yet the opposition has sought to obfuscate on this matter.

The hon. member who just spoke will not tell us his party's views. As we said, the whole purpose of the debate is to hear the views of all hon. members so the government can reach a decision based on the views of members of the House.

[*Translation*]

The hon. member who just spoke did not explain the official opposition's views. I am surprised that he did not clearly explain them when he answered the question put to him by my colleague, the Parliamentary Secretary to the Minister of National Defence. Instead, he attacked the hon. member who asked the question. I cannot understand this.

[*English*]

He said that the hon. member did not know what he was talking about, that the government was not coming clean with the House and the government had an obligation to lead and decide and make all the decisions. Yes, it does, and the government will make the decision on Wednesday. The Minister of National Defence indicated that ever so clearly in his remarks this morning. Obviously it has gone right over the heads of hon. members opposite.

Mr. Bergeron: May I answer?

Mr. Milliken: The hon. member will get a chance to respond. I am looking forward to his response, but I would like him to answer some questions. Will he tell us how much money he thinks we should spend on this mission, how long we should stay, how many troops we should commit? Tell us the answers to those questions. The government will listen to the hon. member and make a decision accordingly.

[*Translation*]

Mr. Bergeron: Mr. Speaker, it is amazing to see our government colleagues claim that they want a non–partisan debate while they turn it into a truly partisan debate with their speeches, questions and comments following our speeches.

In my speech, I clearly indicated how many troops—

Some hon. members: Oh, oh.

Mr. Bergeron: If you listened, you might understand my answer. Pay attention to what I am telling you.

How many troops should we send. I mentioned that. How long should they stay. I mentioned that. How much it should cost. I mentioned that too.

I do not know if the member for Kingston and the Islands was peacefully resting on his desk during my speech, but, obviously, he did not listen to anything I said.

An hon. member: This is not the first time, it is always like that.

[*English*]

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I just arrived. Certainly it is a great way to start off one's debate on this very important matter.

I heard people across the way saying that the government should make a decision on this thing. I suppose if the government had made a decision on it, then we would have been doing the wrong thing and should have had the debate in the first place. As I understood, this was the object of the exercise, to have a debate. At the end of the day, with the feelings of the House of Commons made known, the government will make a decision as to our participation in the former Yugoslavia.

It is a pleasure for me to take part in this debate today because I am one of the people who believe that Parliament should take part in these debates and decisions that are being made in this type of operation to send our troops to foreign countries. This is something we have said in this place for the seven years I have been here, that these debates should take place. By and large that is what happened since our party came into power in 1993.

• (1545)

I have no doubt, and I do not think many have, in what should happen to our role in the peace process in the former Yugoslavia. Peace in the region has been a long time coming, but it has finally arrived. I am glad to say that with the participation of the implementation force with Canada peace will be maintained.

Some hon. members from across the floor, as well as some other Canadians, have questioned the role we have played in the former Yugoslavia to date and have even questioned if we should be there at all.

As I have said before, I believe we were needed then and, more important, we are needed now more than ever. The conflict that ended with the agreement reached in Dayton, Ohio contained many atrocities the global community should never have witnessed and hopefully will never witness again.

To ensure this Canada must continue its tradition of peacekeeping and participate in the implementation force. We must help maintain the fragile peace that has been maintained.

International involvement is a benefit to everyone. The world is a complex community. States are interrelated in many ways, economically, politically and socially.

Conflict breeds conflict and we must do all we can to prevent conflicts from occurring and end the ones that already exist. Better relations among nations carry a benefit shared by all. Peace operations are a major part of this philosophy.

All of us know Canada has a long distinguished tradition of peacekeeping. We all like to trot out the name of the Hon. Lester B. Pearson. He was the man who invented it.

Our forces are not strangers to international missions, and we all speak about that. We are all so proud of that. Only a select few such as Canada have taken a lead in peacekeeping. Since 1947 more than 100,000 Canadians have served abroad in over 30 peacekeeping and related operations.

This is unmatched by our allies. We have recently paid homage to the 103 Canadian soldiers who gave their lives in these missions. Unfortunately I doubt they will be the last, but this is a risk we must take.

We are acting for a greater goal. International peace and security do not come without a price. The end of the cold war was celebrated by many, but little did we realize that such a vacuum would bring about so many regional conflicts. The importance of joint intervention has increased tremendously over the last number of years.

As a result international organizations, primarily United Nations, have become more involved in state disputes, having to toil with human rights and humanitarian issues on a far greater scale than ever before.

The potential for peace is there and Canada must do its part to achieve it. Without international co–operation how can we expect world peace to become a reality? We are not magicians and we cannot pull a white dove out of a black hat. We, as a member of the industrialized world, must accept reality and participate in the fight for peace. Canada long ago accepted this fact.

Not only are we members of numerous international organizations, we have continually participated in every United Nations peacekeeping operation. It is our duty to continue to play our role in this way.

As everyone knows, the nature of peacekeeping missions has changed dramatically since they were first established. From unarmed observers of peace agreements in the early years of peacekeeping, they have since taken on stronger roles of armed enforcers of peace agreements. It was a slow transition until recently. Since the end of the cold war international missions have been given much tougher mandates. In some cases, such as Bosnia, they were not wanted, they were not respected and they were even used as human shields.

• (1550)

Yes, much has changed since 1947. Generally we speak of peacekeeping in general terms, but peacekeeping has not always been peacekeeping in the true sense of the word. Missions have been used to contain the conflict and maintain the surrounding peace, to actually make peace or to enforce the peace once it had been reached.

The signing of the peace agreement with the formal peace accord to be signed on December 14 has stopped the fighting and the conflict in the former Yugoslavia. Peace has been made. Canadian personnel were there and will be there to assist humanitarian operations.

We were not there to keep the peace earlier because there was no peace. Now that peace has been reached as part of IFOR, we will be there to keep the peace, hence that is where peacekeeping comes from.

Although the mission will be a NATO led enforcement mission and not a peacekeeping mission in the traditional sense, to me it is still very much a peacekeeping mission. There will be peace to be kept.

Already we have heard some members focus on the specific role our men and women should play in IFOR. Before I add my views on these matters I will talk about the process of determining our role. Let us have no doubt that the Canadian government will have the final say on all rules of engagement used by Canadian forces.

To me there is little question that we should participate in IFOR, but how many, for how long and in what capacity is up for debate. The Minister of National Defence has consulted our allies on what is still needed for this force. What other countries have already committed will also determine what we will say.

There are many ways we can participate and contribute to the implementation force. There is a multitude of military tasks within the mission, all of which I will not dwell on given the amount of time I have, but I would like to mention a few.

Recently we heard the hon. member for Saanich—Gulf Islands suggest we send an air squadron rather than land forces. All of the air power required is needed from other countries. We have always had troops on the ground to cover the front line. Our troops should be there. Our troops have much to offer in enforcing the ceasefire, enforcing the demilitarization zones to defend persons, property or areas designated as protected, and so on.

Do not get me wrong, that should not end our contribution. Besides having our infantry we should contribute in areas of logistical, medical and air support.

The parameters of the implementation force appear to be quite broad and they are not just to keep the peace but in co–operation with civilian assistance to help rebuild the region. War has devastating effects on people, their communities and countries.

The former Yugoslavia has much to rebuild. The capital city, Sarajevo, where just 10 short years ago the Olympic Games were held, is in ruin. Canada should participate in the non–military operations as well. Getting the region rebuilt quickly will diffuse many grudges held and allow countries to withdraw their forces sooner rather than later.

We all know Canada is proud of its troops, for they are among the best in the world. We should give them a symbol of that admiration. To my colleagues on all sides of the House I say yes to the implementation force, yes to sending our troops and yes to giving them the recognition they need when it is over.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I would like to congratulate the member for Hillsborough for his speech describing what the Canadian Armed Forces have done over the years. It is true their peacekeeping activity has been quite extraordinary. However, the people of Canada and the people in my riding who elected me and who expect me to ask the appropriate questions here in this House when necessary, are wondering what to think now.

• (1555)

Can Canada still afford conducting the operations it is conducting all over the world, at a time when we are cutting welfare benefits, and asking all Canadians and all Quebeckers to tighten their belts one more notch? That is the question we must ask ourselves.

Can we still afford such measures? If our means are limited, why not be content with limited involvement, instead of always claiming that we are out to save the world?

Mr. Young: Take limited action, like the separatists.

Mr. Leroux (Shefford): This has nothing to do with separatism. The minister is just babbling away.

Why seek to do great things, at a great cost, when we know very well that we cannot afford them? Let us be modest. That is what Canadians and Quebeckers will ask: that we be modest in the decisions we make now.

Yes, we must go, to honour our commitments to NATO. But let us participate according to our means. This really has to be said.

[*English*]

Mr. Proud: Mr. Speaker, I thank the hon. member for the lecture. It is tough when money is not available to do certain things but if we do not work to maintain peace in the world we will not have the luxury of social programs or anything else.

Conflict has the ability to spread throughout the world. That is why we are in the NATO alliance. That is why we are members of the United Nations. That is why we have participated actively over the last 50 years to ensure the world is a better place. Even with all the problems, Canada has played its role and should continue to play its role. I do not believe peace has a price.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, what we are dealing with is an escalation of the traditional peacekeeping, as the hon. member has pointed out, in which Canada has proudly participated since the Suez crisis of 1956.

This is a new level of readiness, a combat situation. NATO is clearly asking Canada for combat troops. The U.S. has said NATO wants land forces and the U.S. president has said it is willing to accept casualties in this higher level of participation.

The hon. member spoke about Canada always being there, always able to be there. In the 1960s we had a force of some 120,000. In just a few short years we will be down to a force of some 60,000 but the commitments have increased over time.

I quote from the defence minister's white paper of a few months ago: "Canada cannot and need not participate in every multilateral operation. Our resources are finite and we may not agree with the purpose or the organization of a given mission".

How many Canadian soldiers have to be sacrificed so that the Canadian government can continue on this course?

Mr. Proud: Mr. Speaker, I am sure the Canadian government does not want to sacrifice any Canadian soldiers. As I said, over a period of years our forces have become smaller but we have participated and I believe we have to participate.

We have talked many times about the situation in the former Yugoslavia. Last year and the year before we were told we could not do what we will be able to do this time. If our soldiers find themselves in troublesome situations they can use force to get out of them.

That is what we are saying. I am not suggesting for a minute we want to sacrifice our soldiers. I believe this will be as safe a mission as it can be. There is a chance of soldiers being injured in any mission. That is life. Every man and woman who joins the Canadian forces or any other force knows that.

We are not doing this to put Canadian soldiers at risk. We are doing it to maintain the peace accord which has been signed and to stop these terrible atrocities from continuing. I believe that Canada and all Canadians will be proud to participate in such a force.

• (1600)

[*Translation*]

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, it is an honour and a privilege for me to rise in this House this afternoon.

Peacekeeping missions took a new turn in the 1990s. In order to meet the new challenges of global security in the next century, we need a United Nations Organization and other international organizations that are able to play a more efficient role in conflict resolution.

The extent and complexity of contemporary peacekeeping missions call for the UN to ask regional organizations to play a greater role in conflict resolution.

The role of NATO in this effort is an excellent example of the kind of co–operation that is possible between international organizations.

The UN is the ideal tool for giving legitimacy to an international peace mission and NATO is the organization best equipped for carrying out a mission in Europe, especially one that could call for the use of force. But the UN still needs to be changed.

Created in the 1940s, the organization must get the tools necessary for facing the challenges of global security in this century and those to come. The UN record since the end of the cold war is quite impressive for the most part. Missions in El Salvador, Cambodia, Mozambique and Haiti have produced sound results. But failures in Africa and the former Yugoslavia have raised some doubts.

Unfortunately, many member states put all the problems of the world on the UN's shoulders, which is very unfair. Member states must stop criticizing and start doing their bit. Canada is well aware of the UN's problems, but our government is determined to find solutions.

Given our experience and expertise in all aspects of peacekeeping and the new ideas we propose, we are in a unique position to help the UN. Canada helps to improve UN peacekeeping missions in different ways, such as offering expertise at UN headquarters in New York and establishing the Lester B. Pearson training centre for peacekeeping at Cornwallis, Nova Scotia.

As Canadians, we can offer pragmatic and feasible ideas to prepare the UN for the future. Last September, for example, Canada submitted to the General Assembly the results of a study to improve the UN's response capability to respond in times of crisis. Events in Rwanda showed that simple measures can settle a crisis before it sets completely out of hand.

[*English*]

The Canadian study recommends concrete changes at all levels of the UN system to ensure that such measures can be implemented quickly and effectively. These changes would be cost effective and their implementation would not require any reform to the present UN charter.

The study's clear recommendation is its proposal to create a multinational, multidisciplinary headquarters planning cell, comprised of military and civilian personnel from member states. This planning cell, which would operate under the authority of the security council and the strategic direction of the Secretary–General, would fill an enormous vacuum in the UN system.

It would be responsible for planning and preparing for rapid deployment of a multi–functional standby force of up to 5,000 military and civilian personnel. This force would be deployed for a brief period either to meet an immediate crisis or to anticipate the arrival of follow–on forces or a more traditional peacekeeping operation.

• (1605)

For this vanguard concept to work, this rapid reaction force, the UN standby arrangement system would need to be enhanced so that all the essential components of the force, either military or civilian, could be identified well in advance.

The authority to deploy personnel would still require a UN resolution as well as the consent of each participating government. So far the response to our study from other member states has been encouraging. We look forward to building on this initiative in the months ahead.

In conclusion, while the international environment is becoming even more complex, it is no surprise that peacekeeping has followed suit. As new security threats continue to emerge, Canada and other members of the international community must not let up their efforts to discover new and innovative approaches to peacekeeping.

Whatever the challenges are, Canada's commitment to this useful conflict resolution tool should remain steadfast.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Reform Party has been saying today that this debate is a lot of smoke and mirrors because we will not have the opportunity to vote on this issue.

The argument that we are putting forward is that the government has already made a decision and has committed to sending troops.

I was wondering if the hon. member could comment on the most recent Canadian Press report from just a few minutes ago. It states: "A NATO official has said that Canada has committed a headquarters brigade and a battalion to IFOR". This would mean a participation in the neighbourhood of anywhere between 1,200 and 1,500 people. What does the member have to say?

[*Translation*]

Mr. Bertrand: Mr. Speaker, I thank the hon. member opposite for his question. What he just said, however, is not quite true. Absolutely nothing has been decided. Members of the third party have not yet revealed any of their views concerning the force to be deployed in the former Yugoslavia.

I have been here for nearly an hour, but I have still not heard any real suggestions from the third party. I will remain in the House a little longer to see if they offer any positive suggestions.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, following the speech by the hon. member opposite, I would like to share some of my thoughts about what is going on.

The government is asking us to agree to send troops under NATO command, but it is being vague about it. This is what makes it difficult. It is difficult for us to take a position, because we do not know how much that will cost, how long the mission will last and what responsibilities will be given to our troops.

It is therefore very difficult for the opposition to decide. We, in the Bloc, are in agreement with the proposal in hand. We agree but, as I said earlier, restraint has to be used, and my hon. colleague just said something to this effect. So we agree on this. However, we will not know before this debate comes to an end how much all this will cost. In other words, the government is asking us to give it a blank cheque. I would like the hon. member to comment on that.

• (1610)

Mr. Bertrand: Mr. Speaker, I thank the hon. member for Shefford for his question. We are here to listen to what the official opposition has to say.

Let me repeat what I told the member of the third party. I did not hear any suggestion from that party as to the size and the duration of our involvement. I will stay in the House for a while,

and I look forward to hearing members in the official opposition provide us with at least that information.

[*English*]

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I would like to get a very clear and definitive answer to the question that my colleague just asked the hon. member. Has Canada already committed troops to this UN initiative? Yes or no.

Mr. Bertrand: Mr. Speaker, what is clear is that there has been a commitment from Canada to participate. There has been no clear commitment on the number of forces and other things to be committed.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise on behalf of the people of Okanagan—Similkameen—Merritt to participate in the debate today on an issue of national importance, the NATO mandate to commit a peace implementation force to Bosnia.

The Reform Party supports international peacekeeping commitments and takes pride in the work that our armed forces have done worldwide. They have a reputation of being the best peacekeepers in the world and this reputation is well deserved.

From Korea, Cambodia, the Golan Heights, Bosnia, Somalia and Rwanda Canadians have been there and have done the job asked of them with honour, dignity and determination. They have performed above and even beyond the call of duty.

Nothing serves to show the dedication and bravery of our troops better than the rescue mission of a Romanian freighter sinking in a storm off the Atlantic coast this past weekend. A master corporal with the support of his colleagues rescued the crew in a 30–year–old helicopter despite the odds and the shortcomings of this antiquated vehicle. This helicopter lacks sufficient range, forcing the frigate to close in tightly to the distressed ship and the master corporal and his colleagues are true Canadian heroes.

Since the end of the cold war peacekeeping has changed dramatically. We have left the era of classic peacekeeping to a new era of active peace enforcing. In response to this change the Liberal government has increased Canada's peacekeeping commitments.

However, the Liberals have done this without a coherent policy. They have increased our commitment while decreasing significantly the resources they are willing to allocate to the Department of National Defence and military personnel.

This must be considered before we can determine what kind of force Canada is able to contribute to IFOR. We must also have a clear set of conditions before we commit our armed forces to a task such as this.

Reform Party members have developed such a clear set of conditions that we would like followed before committing our troops on peacekeeping and peace enforcing missions. The Reform Party's conditions are: one, all peacekeeping missions must be approved in advance by Parliament, including a proposed budget; two, the belligerents must signify their genuine willingness to settle their conflict peacefully; three, the mandate, duration and rules of engagement must be specified and adequate command and control must be in place, sufficient resources must be available to do the job; four, Canada must be included in any diplomatic negotiations; five, rules governing troop rotation must be established and adhered to.

As it stands right now the Liberal government has not been forthcoming with information to determine whether these conditions are being met.

• (1615)

Today we are debating the issue of contributing to the NATO peace enforcing mission in Bosnia. However, this is only a take note debate. Parliament will make no decisions here today. The government has already made the decision.

The United States has made it known that Canada is contributing between 1,200 and 1,500 troops. Twenty–two Canadians were sent to Bosnia on Saturday with other NATO forces to begin the preparations for the main NATO force. The Canadian people had no voice in this decision.

Canadians will not know whether the belligerents are genuine about peace until they sign a formal agreement scheduled for December 14. This is not a done deal. The leader of the Bosnian Serbs has already served notice that he is not happy with the accord and he has warned of bloodshed over Sarajevo.

While supporting all peace efforts in Bosnia, I have a number of military concerns this government must take into consideration before sending our troops to Bosnia. Before we make a commitment to IFOR we must first assess whether our land forces have the personnel, the equipment and the resources necessary to contribute to the IFOR mission; second, whether our land forces are facing a morale problem; and third, whether questions on leadership raised by the Somalia inquiry should be addressed prior to a deployment of this nature.

For the past 25 years the Canadian Armed Forces have been abused politically and financially by governments to the point where our forces are in disarray. They are quickly becoming ineffective in taking on missions asked of them by the government. This is not an indictment of our military personnel who shoulder the burden of these commitments, but it is a condemnation of successive governments that have failed to provide effective leadership and resources to the Department of National Defence. Our armed forces are at the edge not of technology or effectiveness, but at the edge of survival as a fighting force.

The 1995 budget of the Liberal government has cut the defence budget to the point of calling into question whether our land forces are capable of sustaining any combat role. To the Minister of Finance I say that there is a point at which armed forces must be funded to remain viable. We have hit that point. Yet the Department of National Defence is bracing itself for more cuts at a time when our government finally is calling on them to do a job they should have been equipped to do in the first place.

No other country has neglected its armed forces as much as Canada. In the early 1960s our armed forces totalled over 120,000. Today the Liberal government is reducing that number to some 60,000. Yet the demand on our armed forces has remained the same. And the demand on our military personnel will only increase as the new world order unfolds.

Our whole army is approximately 23,000 people, which is smaller than the metropolitan Toronto police force. In fact we could take the whole army and march it into B.C. Place Stadium to watch a football game and there would still be room for thousands of additional spectators.

In addition, our armed forces have been almost demilitarized. The government has trained and equipped our land forces for classical peacekeeping based on lightly armed troops. Leaders are being taught the wrong lessons, which could result in a disaster when faced with a serious combat situation. This is at a time when classical peacekeeping is required less and less.

Peacekeeping missions are now peace enforcing missions, requiring the skills and equipment our government has neglected. The Liberals have based their security policy on peacekeeping alone, at the expense of our combat readiness and conventional capabilities.

Being trained and equipped to act as a peacekeeping force is a far cry from stepping into a conventional combat role. This is what the Liberals are asking of our land forces today. Due to the Liberal government's procrastination, our 30–year old armoured personnel carriers will not be replaced until 1997. The land forces lack critical support infrastructure such as logistics and medical.

• (1620)

I would like to quote from a recent study by the Conference of Defence Associations. They state:

> —the Armed Forces are in fact a facade, or a three–dimensional chess board, in which many pieces are missing from the main board, and almost none exist at all on the lower supporting boards.

If the Liberals send our land forces on this IFOR combat mission to Bosnia, we may be asking our land forces to pay the price for the lack of government leadership they have had. No wonder morale in the Canadian Armed Forces is at its all time low. The Minister of National Defence in his rhetoric blames the low morale on the Reform Party. However, the attack on our armed forces by the Liberal government is responsible for the low morale. This in turn has its own cost on operational ability in our land forces. For the past three years they have been forced to rotate 3,000 personnel on UN missions every six months. To many, this may not sound like very much. Many states can field such a force without difficulty. Because of the size of our modest land forces, successive rotations of 3,000 troops is a significant burden.

In fact it is a burden that normal training, which is imperative before any mission, has ground to a halt. Our land forces have been forced to scramble to be able to put together the personnel and the units to fulfil the commitments the government has obliged them to do.

Sadly, the Minister of National Defence blames again, of course, the Reform Party, the only party that is looking out for the interests of our troops, for the problems of his own making. The minister is responsible for the morale problems and should not pass the buck in this cowardly manner.

The morale problem is well documented. For example, an August 1995 chaplains' report states that we are seriously taxing the morale necessary to remain a competent force. It states that rapid successions of deployments requiring the members to continually be away from their families must be balanced with adequate time at home. Stress levels are at an all time high, resulting in breakdown of the family and other serious problems.

I am gravely concerned that the government will commit a significant number of our land forces personnel to Bosnia without taking the morale issue of the rotation of our troops into consideration. We cannot rely on land forces reserves to take up the slack. We need them to help the regulars maintain operational strength during their UN tours. While this was occurring, the Minister of National Defence announced the number of militia reserves was being cut by some 6,000.

The rapid succession of deployments is not the only factor that is reducing morale and operational effectiveness. The Somalia inquiry has raised a number of questions regarding the leadership of our forces as well. The leadership problems have been documented extensively by senior officers in the Canadian forces. For example, one report last March states that there is a grave lack of confidence in the senior defence hierarchy among the rank and file. The report states that there is a widespread belief in the Canadian Armed Forces that political agendas and careerism have replaced leadership in the defence hierarchy. The report discusses the perception among soldiers that the loyalty and focus of senior officers is directed upwards, and not downwards to the rank and file. It criticizes how leaders appear hypersensitive to human rights and political correctness at the expense of building the warrior ethic in soldiers. The report states that soldiers perceive that their interests and welfare are

being sacrificed so that senior leaders can be successful in delivering the same bang for the buck.

It is ill–advised for the government to consider sending combat troops to Bosnia, given the seriousness of this problem and the fact that the Somalia inquiry investigating the chain of command will not issue a report and recommendations until June 1996.

The government should seriously consider the current state of land forces before committing them to this combat mission. I stress this is not the classical peacekeeping to which Canadians have become accustomed, nor are our land forces trained and equipped. Our whole land force has spent the last three years training for peacekeeping deployments. They lack the equipment and the resources. Morale is low and there are questions about leadership that must be addressed. This is not the time to send them on a mission for which they are ill–prepared.

• (1625)

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I am really disappointed that the third party had a golden opportunity to really put its policies forward and boost the morale of our forces at all three service levels, really make an input, really make a significant contribution nationally and internationally, and what do they do? They talk about Somalia. They talk about all other issues except the motion that is on the table. The official opposition at least gave us some figures. They said our commitment should be up to 2,000 troops, et cetera. I wish they would have gone on more specifically, what kind and so on. The third party has not given the government one constructive suggestion.

On one hand, they complain that the government has already made up its mind. It has not. Cabinet is not meeting until Wednesday. They read something in the newspapers. It is like the budget: someone reads something in the newspapers and they call it a budget leak. That is what they are comparing this to. Forget about what is in the newspapers. Give the government constructive suggestions and concrete ideas. This is their golden opportunity, and they are blowing it.

They praise our peacekeepers and then in all their debates what do they do? They bring the morale right down as low as they can get it. If I were out there fighting, I certainly would not listen to what they were saying. That really would depress me.

I have always respected the hon. member for having good ideas. I am wondering if in the time left he would share them with us. What is it he would like cabinet to consider? What are the options? Do we participate at all? If so, how many troops? Two thousand troops? What kind? Should we forget about that altogether and go on the human rights side on other issues?

Let us hear it. This is their golden opportunity and they are blowing it.

Mr. Hart: Thank you very much for that disjointed odd question.

Mr. Hill (Prince George—Peace River): Babblelogue.

Mr. Hart: Babblelogue, yes, that is a good comment.

The opposition parties have a deep concern for what the government will do. It is very clear, and let us not pull any punches on this. What NATO has been asking for and what the U.S. has been asking for are combat troops to participate in IFOR.

This is not the same kind of mission Canada has participated in before, in peacekeeping missions. Let us look at the problems. The cornerstone of a peacekeeping mission depends on the fact that our troops are trained in compromise and negotiation, two cornerstones of peacekeeping operations. Canadians have done that job very well, but now we are moving to a new level. We are moving to the level of combat troops, peace enforcement. Get it out of your head that this is the same somehow as a peacekeeper, because it is not. There are no blue helmets any more. We are talking about a demilitarized zone that has been partitioned through the country of Bosnia. That partition is going through towns, cities, villages, farmlands, and there will be some action there. There will be some firing. Anybody on that side of the House who says there will not be is not being honest with the Canadian public. There will be. The U.S. President has stated that there will be and casualties are expected.

• (1630)

Canadians have to look at what we have been doing in peacekeeping operations since 1956, since the Suez crisis. We have let the equipment and the numbers of our Canadian Armed Forces decline.

I served in the Canadian Armed Forces twice in my adult time. I know the results of what a Liberal government can do to the Canadian Armed Forces when it is in charge. I have lived through it. I am surprised by the hon. parliamentary secretary's attitude. He knows that the hands of a Liberal government ran our equipment and our armed forces into severe decline. We do not have the equipment to get involved in this peace enforcement mission. There are also serious problems in the land forces command which simply have to be addressed.

Members opposite continually blame the Reform Party for the terrible morale in the Canadian Armed Forces. Members of the Reform Party support the armed forces and many in this caucus have served in the Canadian Armed Forces. No, we are not to blame for the morale problem. It is the decline in numbers, the decline in support. On the other side of the coin there is the

increase in demands being placed on our military while the resources are shrinking.

The white paper says very clearly that Canada does not have finite resources. We have to pick and choose which missions to participate in. Canadians have participated honourably and valiantly for three and a half years in the former Yugoslavia. No, we are not turning our backs, but for God's sake, we will not send our troops ill-equipped and with a serious morale problem into a combat situation. It is a recipe for disaster and this government will pay the price for it if it decides to take that decision.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, do I understand from the hon. member that the druthers of the third party is not to send any troops to participate in this operation?

Mr. Hart: Mr. Speaker, I have been very clear in my comments. I am saying it is the intention of the government to send combat troops, and the indication is that NATO is asking for combat ground force troops according to information made available to me as a parliamentarian, received through Access to Information and conversations with senior officers.

Many frustrated people in Canada are banging down my door saying to do something about this. I do not think I can make it much more clear to the hon. parliamentary secretary. I am representing the constituents of my riding and other people across the country who have phoned my office saying: "Do not send combat troops". Can I make it any more plain?

Mr. Mifflin: Mr. Speaker, I do not know who is banging on the member's door. The member spoke of the HMCS *Calgary* and the brave actions of an outfit that he claims has difficulty with morale. Has he considered the awards that have been made, and I hope he attended some of the presentations by the Right hon. Roméo LeBlanc at Rideau Hall, for some outstanding acts of heroism? Has he considered this action of an outfit that is plagued by bad morale?

Mr. Hart: Mr. Speaker, the hon. parliamentary secretary is pointing out and I have acknowledged in the House today the courageous activities of the crew of the HMCS *Calgary* and the courageous activities of those people on the Sea King helicopter who literally plucked survivors out of a very dangerous situation. We are not talking about the activities of our naval forces; we are talking about land force command. We are talking about soldiers on the ground with boots and rifles and they do not have the equipment. I say again that if the government is talking about those types of troops, absolutely no.

• (1635)

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to our Standing Orders, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Saskatoon—Clark's Crossing—Social Programs.

[*English*]

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, I am pleased to speak to the motion concerning Canada's participation in the peace implementation force to be deployed within Bosnia-Hercegovina.

The Dayton peace agreement has given the world a great deal of hope; hope that the situation in the former Yugoslavia will once and for all improve, and hope that innocent people will no longer have to suffer the violence of war.

Having come from that region of the world, this peace agreement touches me more personally than it does most other Canadians. I would like nothing more than to see a lasting peace which would ensure safety and security for all people in the former Yugoslavia.

I have had the honour to debate the issue of Canadian involvement in the former Yugoslavia many times in the House. Each time I have stated very clearly that I support Canadian involvement as long as the lives of our men and women are not placed in danger.

There were many times when I felt that Canadian peacekeepers were not being given adequate tools to do the job which they had been sent to do or adequate tools to protect themselves. When I speak of adequate tools I am not only referring to weapons, I am also referring to the mandate of UNPROFOR which often tied their hands. In spite of these obstacles, Canadian peacekeepers managed to make a valuable contribution to the fragile peace in Croatia and to perform a valuable humanitarian role in Bosnia-Hercegovina.

Although not always evident, Canadian peacekeepers are well respected in the region. They have established a rapport with locals in the areas to which they were assigned. That is fundamental to the success of any peace mission.

The mission in which Canada is now being asked to participate is different from that of UNPROFOR. The peace implementation force will consist of approximately 60,000 military personnel. It will be responsible for overseeing the military aspects of the peace agreement recently reached in Dayton, Ohio. The force will be organized into three divisions: one American, one British and one French. Britain, France and the United States are collectively contributing the bulk of the forces necessary for this mission. They will send a combined total of 49,500 troops.

NATO will assume command of the mission once IFOR is deployed. However, it will operate under the authority of the United Nations Security Council resolution which permits the use of all necessary means to fulfil the mission.

• (1640)

Given that the formal peace agreement will not be signed until December 14 of this year in Paris, it is unlikely that any deployment of forces would take place prior to that date.

IFOR will not be a peacekeeping mission but rather a NATO led enforcement mission. Where UNPROFOR was mandated only to monitor the implementation of United Nations resolutions and to provide an escort for humanitarian operations, IFOR will be there to enforce the peace agreement.

Canadians and their allies have a great deal of work ahead of them. They will be required to co–ordinate arrangements to ensure freedom of movement and self–defence for IFOR troops within a given sector. They will be required to monitor and if necessary, enforce the withdrawal of parties to their respective territories. They will also co–ordinate and mark boundaries and lines of separation between parties and will establish, monitor and if necessary man lines of separation.

In addition to those responsibilities, IFOR troops will enforce the ceasefire provision of the peace agreement, defend persons, properties and areas designated as protected, monitor the clearing of minefields by parties to the agreement and provide a combat capability to reinforce IFOR troops as required.

In addition to this already lengthy list of responsibilities, IFOR will help to establish a joint military commission with civilians, military and non–governmental agencies in the area and will assist both the UNHCR and other civilian aid agencies in the conduct of their humanitarian missions. As well, IFOR will observe, secure and if necessary prevent interference in the movement of populations, refugees, displaced persons and their property.

Needless to say, what I have just outlined will be a challenge for all those participating in the IFOR mission. Canada has expertise in all of these areas simply because of our historic role in difficult peace missions around the globe.

As I stated earlier, our forces did an excellent job during the UNPROFOR mission and often without necessary means. Canada has already dedicated a great deal of time and effort to finding a peaceful resolution to the situation in the former Yugoslavia. To quit now when true peace is within reach would be a shame.

IFOR's mandate will give Canadian troops the tools needed to succeed in the implementation of the Dayton peace agreement. It will also give them the tools they need to protect themselves. To pull out now after we have done so much already would be like throwing in the towel in the third period of the Stanley Cup final.

We cannot let our allies down at this stage of the game. It would be wrong to let down the hundreds of thousands of refugees and displaced persons who are counting on our help and who have trusted us for so long.

Not only would I encourage my government to contribute a modest force to IFOR so that we can finish what we started back in 1991, I would also encourage it to take a stronger leadership role in this region.

• (1645)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I share the sentiments the hon. member just gave about the refugees and how we are going to deal with them. However, we have not talked about what sort of a mandate we have, what sort of numbers. We have not talked about any of the details.

We are told to come up with all of these figures, that it is the opposition's job to come up with all of this. I thought the government would come forward with a proposal which we would then debate and discuss. The government does not have any ideas and it expects us to supply them.

We have listened to a lot of things. Just about an hour ago a CP reporter said that he had been told by a NATO official that Canada has committed a battalion of combat troops. We heard the Prime Minister say that Canadians could be there for up to three years. What does he know that we do not know? Why would he say something like that? We have heard Mr. Ouellet say that we are committed—

The Deputy Speaker: When referring to ministers the hon. member will please address them by their titles rather than their names.

Mr. Mills (Red Deer): Thank you, Mr. Speaker. With all of this being commented on by the Prime Minister, the Minister of Foreign Affairs, the defence minister and NATO officials, why do we not have the information so we can honestly debate it?

Mr. Peric: Mr. Speaker, I appreciate the concern of our colleagues from the third party. We are at the doorstep of long lasting peace. I am confident that Canada is ready to contribute whatever is necessary.

I hope that this mission lasts only for six or twelve months. I would be very disappointed if it lasts for three years. I believe it will not last that long.

By pulling out right now we would betray not only our allies but the people who trusted us for so long in Bosnia–Hercegovina. We would betray the people in that area.

Mr. Mills (Red Deer): It's a different mandate.

Mr. Peric: It might be a different mandate but I strongly believe that we are ready for that mandate, that our soldiers are highly qualified for that.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I want to commend the member for Cambridge for his remarks.

Sometimes in this place, although we are all equals, some remarks from some members perhaps carry a little more weight. Certainly the member for Cambridge knows of which he speaks with his heritage and culture from that area, from the former Yugoslavia. Also he has been extremely active in forming an association within Parliament for the Canada–Croatia–Bosnia society.

I commend the member for his work in this area and for his fostering an understanding among parliamentarians like myself of the complexities of the situation in Bosnia–Hercegovina, as well as all of the other states in the former Yugoslavia.

I would ask for his comments about the positive aspects of the Canadian presence in Bosnia–Hercegovina as well as in Croatia. What has been the impact of the presence of Canadians while the war was still going on with respect to the people of Bosnia–Hercegovina? Can he tell me what the impact has been and perhaps that will help explain why he is so adamant that the presence should continue?

Mr. Peric: Mr. Speaker, coming from that area and knowing the mentality over there I would like to answer my colleague as well as colleagues of the third party that the morale of Canadian peacekeepers is very high. They are highly respected. The morale on the other side is very low. I am not afraid that our soldiers will not do the proper job over there. I am very confident because all three sides highly respect Canadian soldiers.

• (1650)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I have been listening to the debate since this morning and there is an issue that has not been mentioned a lot if at all, and that is the impunity of those who have committed crimes against the civilian population.

It is the same story in Rwanda where almost one million people have been killed and the murderers are going scot–free. In Haiti, the military regime left without being punished and we have the feeling that the same thing will happen in the former Yugoslavia.

Could the hon. member for Cambridge tell us whether the Canadian government is concerned about this issue, and whether it might not foster similar civil wars in other countries?

[*English*]

Mr. Peric: Mr. Speaker, two things have to be separated, Somalia from Bosnia and Hercegovina. There was never civil war in Bosnia and Hercegovina or Croatia. As we know, there was occupation. There were attacks starting with Slovenia by the former Yugoslav army. It was the same thing with Croatia and Bosnia. The two situations cannot be combined as one. They cannot be compared.

As far as I know from talking to Canadian soldiers in Croatia, there were no scandals. They were doing their job, as much as they could do. They are highly respected by all three sides. Canadians should be proud of that. They have continued and are keeping a long history, a tradition. We have to support them in that endeavour.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, I am pleased to have the opportunity to take part in this very important debate today.

Canada has a long and impressive history of peacekeeping around the world. As I am sure all members are aware, peacekeeping as it is known today was invented by a Canadian, former Prime Minister Lester B. Pearson. During the Suez crisis of 1956, Mr. Pearson proposed the formation of an emergency UN force to supervise the cessation of hostilities.

Since 1947 Canada has participated in every United Nations peacekeeping operation. We are one of the few countries that has done so. We are also one of the few countries that has paid all of its United Nations' dues, including our share of peacekeeping costs.

Canada has played a major role in the ongoing peacekeeping efforts in the former Yugoslavia. It has been involved in four separate but related operations in the region. It has been participating in the Sarajevo humanitarian airlift. The navy has one frigate operating with NATO's standing naval force Atlantic, in the Adriatic, monitoring and enforcing sanctions.

Canada has also provided two crew members for AWACS aircraft enforcing the no–fly zone over Bosnia. Canada has also provided a battalion to support the United Nations operation in Bosnia. That unit was based in Visoko, northwest of Sarajevo. About three–quarters of that unit's personnel were withdrawn in October of this year, with the remainder returning to Canada in late November.

Canadian troops have played a valuable role in Bosnia. They have delivered relief supplies, protected civilians and monitored ceasefires.

Over the past three years we have all become far too familiar with the scenes of violence and suffering on the nightly news reports from Bosnia. The war in Bosnia has been extremely brutal and vicious, despite the best efforts of the United Nations and Canadian troops to relieve the suffering of innocent civilians.

The previous United Nations' efforts were at best a band–aid solution. Therefore I welcome the agreement signed recently in Dayton, Ohio, ending the conflict in the former Yugoslavia. After more than three years of fighting, 250,000 dead and the

creation of two million refugees, it is high time that the fighting end in Bosnia.

• (1655)

Although I hope that the Dayton agreement will bring peace to the region, I must admit that I share the doubts expressed by many. We have become familiar in the past few years with the short lifespan of Balkan truces and agreements. After several years of fighting, it will be extremely difficult for all sides to live together.

The peace agreement is extremely complex and will be very difficult to implement. For this reason I welcome the participation of NATO. As I am sure members are aware, NATO is planning to deploy 60,000 troops, including 20,000 American troops, to enforce the agreement.

Besides the United States, 11 other NATO countries have indicated that they will provide troops. As well, Russia and 19 other non–NATO countries have indicated that they will provide troops. Russia and many of the non–NATO countries are former members of the Warsaw pact and current members of the Partnership for Peace. This will be the first co–operative operation between NATO and the Partnership for Peace countries.

NATO has made clear that the implementation force will not be a traditional peacekeeping mission, but rather a NATO led enforcement mission. It will operate under chapter VII of the UN charter, which permits the use of all necessary means to fulfil a mission.

The implementation force will be required to monitor and enforce the withdrawal of each side's troops to their respective territories, establish and man lines of separation, enforce the ceasefire provisions of the agreement, defend protected areas and assist United Nations and civilian aid agencies.

It is quite likely that the implementation force will be involved in some fighting as it seeks to enforce the peace agreement. For this reason, NATO troops will be heavily armed and authorized to use force.

Despite their large numbers and heavy armaments, NATO troops are likely to have casualties. The terrain will make operations difficult. Snipers and land mines can be very difficult to deal with.

Despite all the difficulties, I am in favour of NATO participation and Canadian participation in this operation. We have been trying since the war began to find a solution. Canada should not abandon Bosnia just when a real solution is becoming a possibility.

This agreement is the only means to end the war and we have a duty to support it. Although I feel we must support the Dayton agreement and the NATO implementation force, there are limits to what Canada can do. We must set clear limits on what role Canadian troops will fulfil.

I have the greatest respect for the professionalism and skill of Canadian soldiers. However, I am very concerned about the preparedness of the Canadian army to play a frontline role in a peace enforcement mission. I am concerned that the Canadian forces will not be properly equipped for the combat role they might be required to fulfil in Bosnia.

The defence review undertaken by the joint committee on Canada's defence policy clearly indicated the shortcomings in equipment of the Canadian military. Although the government has taken steps to correct many of the shortcomings, it will take time to fully modernize Canada's equipment.

I had a long talk recently with a constituent of mine who served in Bosnia and was gravely wounded. Although seriously wounded, he is very proud of the Canadian military and the job it has been doing in Bosnia. It is very satisfying to hear him talk about what he has personally gained through his military service. He feels the military is a great training ground for Canadian youth. He feels that the Canadian troops are the best trained troops in the world.

Despite this, he feels that Canada should maintain its role as peacekeepers and not become peacemakers. He is of this opinion as he is personally aware of some of the more glaring deficiencies in Canada's military equipment. For instance, the Cougar armed vehicles that Canada was using in Bosnia were purchased in 1980 as training vehicles. In his opinion, they do not provide adequate armour and the targeting system on the gun is not very effective. In his opinion also, the flak vests do not provide adequate protection and are inferior to modern vests.

Personally, Canada can best contribute by providing support troops and humanitarian relief. Canada should provide the support it is best equipped to provide and leave the provision of combat troops to countries best equipped for that role.

In previous peacekeeping missions, such as in Namibia, Canada provided logistics and support personnel.

• (1700)

In peacekeeping operations in the Middle East Canada provided communication troops and logistics support to United Nations peacekeeping operations. Another option would be to provide engineers and assistance in demining operations as Canada did in Cambodia. Another option would be to provide medical support to the implementation force in the form of field hospitals.

The resettlement of a large number of refugees will place an enormous strain on United Nations humanitarian agencies. Canada could provide support to resettlement and reconstruction efforts in Bosnia.

I emphasize that the most valuable contribution Canada could make to the implementation force would be to provide support troops in the areas of communication, logistics and medicine. I also emphasize that I am in favour of supporting the implementation force. We have a moral duty to support the peace efforts in Bosnia, and our troops will be up to any job they may be asked to perform.

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, I listened quite attentively to the hon. member's comments. I appreciated the courage it took for her to make some of those statements obviously in contrast to the stated position of her party and the government.

Her comments are not all that far out of sync with the position of the Reform Party which has been very outspoken, as we know, against the commitment of Canadian combat troops when they are obviously ill–prepared, ill–led and poorly equipped, as the hon. member drew attention to.

It is not so much the troops who are the biggest problem. It is the people across the way making the decision involving their lives. It does not instil confidence or morale in our armed forces when the de facto commander in chief does not even know which way to put his helmet on.

If the hon. member feels the government is to commit combat troops when they are not prepared to take on that role, as she said, will she let her feelings be known to the Minister of National Defence and speak out as Reformers have been doing against the commitment of combat troops?

Ms. Phinney: Madam Speaker, I have no necessity to speak to the minister because he already knows how I feel because our party is free and open. We can say how we feel at any time.

I am sure no troops from Canada will ever be allowed to go in ill–prepared or ill–led. I have stated an opinion and we may hear from other members more familiar than I am about how much improvement has gone on with the equipment since the committee made those comments.

That is how I feel right now. I am quite willing to be proven wrong. I also know the Americans will be going in with plenty of equipment and our troops will be using their equipment if we do not have adequate equipment ourselves.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I congratulate the hon. member for a good presentation. This is the kind of debate we were hoping to get, not just the usual political rhetoric even if it has to be within our own party. There are some different ideas about the kind of troops, the numbers and that kind of thing.

I want to comment on a very important statement the hon. member made. I have to agree with her. When we were in ex–Yugoslavia, in Croatia and particularly Bosnia, we did receive from the troops a justified concern that equipment was not the best for what they had to do.

In military operations one is seldom equipped 100 per cent for what one has to do. Even then measures had been taken with respect to the armour of the APCs and the other vehicles. Corrections were being made. Every member in the House is aware we have gone forward with priority, as indicated and agreed in the special joint committee, that we would rectify the deficiencies in APCs. That is under way.

• (1705)

Another aspect was quite glaring to us. We were concerned as a committee with the number of rotations individual soldiers had. The recommendation was made by the joint committee and it was agreed, certainly by the third party if not by the official opposition, that we would increase the army size by 3,000 troops. We recommended 2,500 in the report but I believe it worked out to 3,000 ground troops instead of headquarters personnel. That adjustment has been made. It should greatly improve the rotation of combat soldiers and should also make it better for logistic soldiers. I wanted to set the record straight on that.

Mr. Jack Ramsay (Crowfoot, Ref.): Madam Speaker, there is no question the government has made a commitment to the UN initiative. However, I would feel much more comfortable about the decision if the concerns raised by my hon. colleague and by the hon. member who has just finished speaking, the questions of moral, leadership and, most important, equipment were put to rest. I would feel much more comfortable with our troops going into that situation if they were well equipped and had excellent leadership.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Madam Speaker, I will be sharing my speaking time with the hon. member for Louis–Hébert.

I want to speak today on the participation of the Canadian Armed Forces in the implementation force in the former Yugoslavia. I agree with the principle but not with the way the government, particularly the Prime Minister and the defence minister, made commitments to our NATO allies.

First, on November 23, in a speech he gave following a meeting with the Secretary–General of the United Nations, Mr. Boutros Boutros–Ghali, the Prime Minister had already committed in principle Canadian funds and human resources, without first seeking the approval of this House.

Indeed, even before Parliament was asked to debate the issue, the decision had already been made. As far as I know, the government should be at the service of Parliament and not the

other way around. What is the use of having a democratic institution like Parliament where parliamentarians give advice to the government and pass legislation, if this government ignores procedure and only asks Parliament to rubber stamp its decisions?

Indeed, on November 23, the Prime Minister said, and I quote: "Of course, we will send some troops, but the size of our contribution will depend on what we are able to do and what we are asked to do". The Prime Minister was referring to our NATO allies and particularly to our neighbours, the Americans. Therefore, the decision on Canada's contribution will depend on the decision of our neighbours to the South and not on what our Parliament would have decided first. That is how decisions are made in Canada.

While I support in principle the Canadian government's peace plan to participate in NATO's operations in the former Yugoslavia, I am still puzzled by the way the federal Liberals are proceeding. It is a question of attitude.

Even President Clinton did not formally make a commitment until the American Congress ratified the United States' contribution to the ceasefire monitoring group. In my opinion, the Prime Minister's statement is further proof that he attaches very little importance to parliamentarians' opinions, since he announced, even before today's debate, that he would send troops to Bosnia.

Undoubtedly, the Prime Minister has a double standard. Even last week, he proclaimed that the House was sovereign on the matter of his famous distinct society clause and that this clause had priority over everything else. Today, in the case of the Canadian Armed Forces's involvement in the multinational military implementation force under NATO command, the decision has already been made and the only thing the House can do is ratify it. That is what we are being asked to do today.

• (1710)

I would like to raise several other points which strike me as irreconcilable differences between what the Government is saying publicly and what is being said here in this House.

At an information session this past Thursday, an Armed Forces spokesperson indicated that Ottawa's contribution to date to the United Nations Protection Force in the former Yugoslavia has been more than half a billion dollars over three years, or approximately $517 million, for a force ranging from 1,600 to 2,000 in size. That half billion, or some $172 million yearly, represents the additional cost for National Defence to commit Canadian troops to UN peacekeeping in the former Yugoslavia. In other words, this figure represents what it cost over and above the normal costs of keeping our troops here in Canada.

Keeping those figures in mind, we are now told that the present NATO commitment ought not to cost more than an additional $75 million for a 12 month period involving some 2,000 to 3,000 Canadian soldiers—$75 million for a mission that differs greatly from a peacekeeping mission. This is inconceivable, half as much money, yet twice as much will be demanded of our troops.

In an article in *Le Devoir* on November 24, headed "Canada to participate in implementation force", the Minister of Defence is quoted as referring to far greater costs for this type of intervention, much more than $75 million.

I will read part of this article, and I quote: "Mr. Collenette also said that the logistics involved in combat operations of the kind organized by NATO are far more costly than in the case of UN peacekeeping missions. We will have to look at the financial aspects", concluded the Minister of National Defence.

There is a problem here. The Minister of National Defence tells us these combat operations may cost us a lot more than we are being told by the military, this in addition to the opinions of certain experts and officials who are saying that the cost of participating in a NATO mission is usually twice that of UN peacekeeping missions.

I am rather sceptical when people tell me it will cost only $75 million for 12 months, which is $75 million more than it normally costs, and people should realize that. Could the Minister of National Defence let the House know the real costs involved in these combat operations?

In another article published in *Le Devoir* on August 19, 1995, the Minister of Foreign Affairs responded to a report in *Le Soleil* estimating the cost of Ottawa's commitment within UNPROFOR in the former Yugoslavia at $710 million over three years.

I have a very simple question: Who in this House could tell us the exact cost of such operations? There is a $193 million difference from department to department. Who is right? I find it hard to believe that the House is being asked to give its consent without knowing the real cost of these combat operations, especially when they are supposed to cost half as much as previous commitments to peacekeeping operations.

Considering the current federal deficit, how can we afford to ignore these facts? This is very disturbing. And I am sure the vast majority of taxpayers in Quebec and Canada would like to know the real cost of these combat operations.

The principle involved in peacekeeping operations is a noble one, but I doubt we can afford to get involved without knowing the real cost of this gesture of human solidarity. When shown

these figures, not a single banker in Quebec or in the rest of Canada would be willing to endorse such operations without at least knowing what he was getting into.

• (1715)

I support Canada's involvement in principle. The Bloc Quebecois supports Canada's participation in NATO's implementation force. I cannot, however, give this government a blank cheque without knowing where and how this money will be spent. It is taxpayers' money we are spending. And given the cuts imposed by the federal government on the most vulnerable in our society, it would be unthinkable not to know how much money will be spent and how it will really be spent.

Finally, as far as the implementation force's mission is concerned, no one knows, of course, how long it will last or what the implications will be in the medium term. The Prime Minister told the Secretary–General of the UN that participating forces would have to stay the course until peace is really restored, whether it takes six months or three years.

Notwithstanding the Prime Minister's commitment, should the mandate extend beyond the expected 12 months, I think the government should be required to submit its decision to the approval of this House. I also think that the 12 month mandate should be clearly stated and that Canada should commit no more than 2,000 troops to the NATO forces, which is approximately the maximum level of Canada's participation in UNPROFOR.

In conclusion, given our current financial situation, I have major reservations about the defence department's threat assessment.

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, I find the hon. member's remarks ambiguous. I would like him to clarify this for us. His leader has always been in favour of a Canadian military presence in Europe for humanitarian reasons, as he so eloquently explained in our last debate on the matter. And he himself agrees in principle with this policy for the same reasons that I and other members of this House believe it is crucial that Canada participate in humanitarian and large–scale efforts to restore peace in that part of the world.

I myself support this government initiative. I think that the hon. member also supports this government initiative. I think that his party supports this initiative. Even so, he is looking for an excuse to criticize the Prime Minister, to criticize the government, to find small things to complain about here and there, claiming that our Prime Minister is wrong when he says that our level of participation depends on the American level of participation. This goes without saying, but at the same time it does not mean that the Americans are deciding for us, as the hon. member is suggesting. What it means is that we will make our own decision based on what our allies are doing. It is perfectly logical, rational and appropriate.

I personally find that holding this debate in the House of Commons gives us, Canadian parliamentarians, the chance to have a say in this decision. This is undoubtedly a complex decision that depends on many other factors, but that is always how it is on the international scene, and to claim otherwise is, in my view, to distort the debate and only to look for excuses to criticize the government.

Mr. Leroux: Madam Speaker, where we disagree with the government is on the way it is going about this. We are always told that the House is its own master, that Parliament is a sovereign institution. In fact, that is not the case. The Prime Minister has already made a commitment. He now puts the issue before the House, in order to have his decision endorsed by the different parties, and this is what we object to.

We do agree with the decision. We know that Canada has made commitments to NATO. We know that it has always fulfilled its commitments. We have no problem with that. What we are saying is: fine, let us go, but according to our means.

• (1720)

As you know, we may be one of the most indebted countries in the world, per capita. Sure, we must continue to help others, but we should also take our situation into consideration when making that decision. The Bloc Quebecois agrees that we should send troops to Bosnia–Hercegovina, along with our partners. However, the government should not always surprise us at the last minute. If the House is its own master, if it is sovereign, then it should be the one to decide. The government should come back and tell the House how many troops should be sent, and so on, because these are important issues.

In my speech, I mentioned that President Clinton waited for the approval of both Houses before taking action. That was not done here, in spite of the Prime Minister's promise.

In conclusion, it is important to fulfil our commitments, but we must also not lose sight of what is going on. This operation is very different from a peacekeeping mission. Lives may be lost. Our troops risk their lives, but the risk could or will be greater this time. If we send armed forces personnel over there, it does not have to be combat troops. We could send auxiliary forces, engineers, nurses, etc. We have all this expertise available in Canada. We would still be taking part. But I think we must be careful. We do not have to do more than others. We must do our share, but we do not have to do more than others.

[*English*]

The Acting Speaker (Mrs. Maheu): Very briefly, the hon. member for Okanagan—Similkameen—Merritt.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, the hon. member mentioned the length of time. As we all know, NATO has said this is a one–year mission, 12 months.

Has the member given any consideration to how optimistic that time frame is in this type of operation? One year seems very optimistic. We are moving some 60,000 troops in there.

During the briefing we received from the government—

The Acting Speaker (Mrs. Maheu): I am sorry, I did ask the member to be very brief.

[*Translation*]

Mr. Leroux (Shefford): Madam Speaker, it would be advisable that following a one year commitment, the government came back to the House and asked if we agree to extend Canada's participation.

Again, it is important to have the figures. People must know the cost of that participation. That is what is important.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, we are today debating the recent Dayton peace agreement and Canada's contribution to the peace effort in the Balkans.

For over three years, discussions have gone on between the Bosnians, the Serbs and the Croats in the hope of reaching an agreement on establishing a real peace process. On November 21, an agreement, albeit an imperfect one, but an agreement nonetheless, was signed by the parties.

This peace agreement signed in Dayton, Ohio, provides, among other things, that refugees will be permitted to return home or will be compensated, if it is impossible for them to do so. The agreement also provides for the unrestricted movement of the entire population within Bosnian territory.

To implement the accord the international community is being invited to provide humanitarian aid or help in the reconstruction, with the objective of establishing an enduring peace in the former Yugoslavia.

Today, we are being asked to debate the form Canada's contribution to the peace process should take. We are, however, entitled to question the usefulness of this debate and whether the Government of Canada has not already made all the decisions, since, less than 48 hours after the Dayton agreement was signed, the Prime Minister of Canada was saying publicly that Canada would send a number of troops, according to its capabilities and NATO's request.

The Bloc Quebecois questions the attitude of the Prime Minister, who is leaving no doubt that the decisions have already been made and that the opinions of the members of this House are of little import. His message is that Canada will send troops to Bosnia, regardless of today's parliamentary debate. However, the debate is relevant, and, in this regard the Minister of Foreign Affairs should have informed the Prime Minister that Canada could get involved in three ways, apart from simply sending troops.

• (1725)

Participation in the implementation force is one kind of intervention, of course, but taking part in the reconstruction and welcoming refugees unable to go back home are other kinds of assistance that Canada should consider.

I would like to elaborate on the latter, on Canada's opportunity to help Bosnian refugees. Canada can help out in two ways. The High Commissioner for Refugees made an appeal to welcome refugees from the former Yugoslavia. In this regard, a few weeks ago, the Canadian Minister of Citizenship and Immigration reached an agreement with NGOs and other organizations to implement an action plan to welcome these victims of war. The Quebec government is also involved in this special operation. The Bloc Quebecois supports this initiative and urges the Canadian government to pursue its efforts in this regard.

Canada could also help refugees on the field in Bosnia–Hercegovina. The best estimates suggest that there are more than 1.3 million displaced people in Bosnia itself and 800,000 refugees in neighbouring republics and other European countries. Canada must facilitate the implementation of the Dayton agreement and help those who want to return to their homes.

The time has come to recognize that Canada's previous interventions in the former Yugoslavia have been less than successful. So far, Canada's participation in UNPROFOR has cost taxpayers over half a billion dollars. Despite the enormous resources invested by Canada, the results have been on the whole rather disappointing.

Canada has been excluded from major decisions, as demonstrated by its April 1995 exclusion from the contact group composed of the U.S., Russia, France, Great Britain, and Germany. Canada has maintained a large UNPROFOR contingent, even though our troops had little guidance and no clear, original, well–defined policy regarding the outcome of the conflict and how to resolve it.

The Canadian government did not show any international leadership or take any major policy initiative that would have allowed it to exert some influence. Before making a further commitment to participating in the implementation of the Bosnian peace and reconstruction plan, the official opposition believes that several questions ought to be answered. Canadian

taxpayers have a right to know whether or not Canada will have a say in operations involving Canadian troops.

Also, given that Bosnia is faced with severe economic problems, we must ask ourselves if the Canadian government intends to provide financial assistance as well or if, given our own debt problem, we could not find a more responsible and practical form of assistance. For instance, Canada could very well provide technical assistance for future elections in Bosnia, given its expertise in that area.

We also want to be apprised of the risks to our troops. We know that the ceasefire monitoring force will consist of combat troops as opposed to peacekeepers. This new task will therefore be conducted under Chapter VII of the UN charter instead of Chapter VI. And we know that Chapter VII allows the use of a broader range of means, including the use of force, to fulfil these missions. In other words, every means available will be used to implement the agreement.

Finally, the Bloc Quebecois has three more concerns in relation to the timing, nature and cost of this operation. As far as duration is concerned, the UN secretary general and the Prime Minister jointly stated that this mandate could be for up to three years. If that were the case, the Bloc Quebecois demands that the government seek the House of Commons' approval of its decision to extend the mission beyond the currently planned 12 month term.

As for the mandate of Canadian troops deployed in Bosnia, we hope that the Canadian government has learned from its mistake and that, this time, it will develop a clear mandate. While troops may have to perform a variety of tasks, Canadian troops could specialize in communications and more traditional aspects of peacekeeping. Out of concern for Canada's image as a peace-minded country, we Bloc members think that only a very small percentage of the troops we assign to NATO should take part in combat missions, and only if necessary.

• (1730)

Finally, the Bloc Quebecois feels that Canada's participation must be more or less the same as in UNPROFOR, that is about 2,000 soldiers. That seems to compare with the level of participation of our European allies, except for France, Great Britain and Germany. The cost of such an operation is high. The defence department estimates that, over a 12 month period, it could be anywhere from 2 to 75 million dollars, depending on the number of soldiers involved. The various scenarios provide for sending from 50 to 3,500 troops.

We have our doubts about these figures, considering that Canada's participation in UNPROFOR cost about $172 million annually. The defence department has admitted that a NATO operation would cost about twice as much as a UN peacekeeping mission. The Canadian government must show more rigour and give the real costs of that operation, before getting involved any further.

In short, the Bloc Quebecois is asking the Canadian government to show greater discretion, rigour and, particularly, transparency. There is no doubt that Canada must contribute to the peace process in Bosnia. The way to do it must be thoroughly debated in this House.

[*English*]

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, today we are having a very serious debate in the House on the Dayton peace agreement. A number of nations got together to hammer out a peace agreement for the combatants in the former Yugoslavia. This conflict has been ongoing for a number of years and Canada has made a tremendous contribution during the past four years to the humanitarian needs in that area.

There has been a wide sweeping debate in the House this afternoon and therefore I would like to read the motion before the House:

> That this House take note and welcome the recent Dayton peace agreement and the international community's continued efforts to bring enduring peace and security to the Balkans, and Canadian support of these efforts by participation in a multinational military implementation force (IFOR) under NATO command.

The implementation force will not be a peacekeeping mission in the traditional sense but rather a NATO led enforcement mission which will operate under the authority of the United Nations security council resolution pursuant to chapter VII of the United Nations charter which permits the use of all necessary means to fulfil a mission.

Since this would be an operation not in the traditional sense of peacekeeping and because NATO and many other countries are involved, it should not be surprising that we have been requested to send combat troops.

Given the nature of the world today there are many hot spots. Some can become hotter. This is one big issue which we have today. What will it be six months, a year or five years from now? No one can predict. The world is a very unpredictable place in this era of our history.

The implementation force is the only way to handle this matter. There is a peace agreement which must be implemented. The basic way of life must be restored to the area. The people in that region must live without fear of what will happen to them.

This is not the time for Canada or for any other responsible country to fold up its tents and walk away. This is a time when the international community must come together, shoulder to shoulder, in the best interests of mankind.

• (1735)

The winners of such operations are those who will suddenly find themselves living in security and peace. The winners are the free countries of the world accepting their responsibility in what is otherwise a cruel world.

The winners are people like the Russians and those in the eastern European countries who a short time ago belonged to the communist bloc and who today are moving with their friends in the western world to implement this peace agreement in the former Yugoslavia.

If that is not a fantastic happening in this era of our history, I do not know what is. Who would have thought eight or ten years ago that we would see this happening on this date in history or that we would see it unfold in the days ahead?

The other winners of this of course will be those still alive in that country, the children and the women, who will finally have some peace. They will remember as they walk through their cemeteries young children from infants up, women, grandparents, old and young, whose names are on that flood of tombstones in cemeteries throughout the former Yugoslavia. It is a slaughter which neither this country nor any other responsible country could turn a blind eye to and walk away from. Without proper supervision it could happen again. Graveyards will be the reminders of this horrible period in the history of the former Yugoslavia.

The winners will be the NATO countries and the eastern bloc countries that have bridged the gap over recent times and are now putting their total efforts toward this humanitarian cause in a truly wonderful display of international unity for peace.

There is monitoring to be done and there are mines to be disassembled. If they are not, the country will live a further hell in days ahead.

Humanitarian aid has been provided very responsibly and generously by Canadians over the last four years. You bet our Canadian soldiers are well trained. They can build schools, hospitals, roads and bridges. They can do it well.

I do not appreciate the logic put forward in the House today when members of the Reform Party say our forces are becoming ineffective. I do not buy that for one minute. It is a terrible thing to say about our Canadian forces whom we expect to go on missions around the world. Are they capable of doing anything? You bet they are capable of doing anything and they will do their work over there along with the best in the world.

It is time Parliament and all members stood together united and thanked those people because regardless of a few problems they have carried the Canadian flag with dignity and with pride around the world. We owe them a great debt.

People in the former Yugoslavia want peace and security. Sure, some rebels are not happy and nothing will ever satisfy them, except when they get everything their own way. Hence the reason for the supervision and the necessity for it.

There are some in this world who lock their minds and throw away the key and do not want anyone questioning the mean streak they have in them. All the good things in life, the everyday necessities of life, must be brought back into action and rebuilt.

• (1740)

Government institutions are needed in the former Yugoslavia. Infrastructure faces a mass improvement because of the destructiveness that has gone on there for a number of years. Canada's participation has been a responsible one over a period of time.

Our forces have done a great job for us in the international community. We must look after them while they are on these missions, which means more than good equipment. It means a commitment in money and a commitment to giving them the equipment to go forward in the days ahead. We have done a lot of that already.

However, it means another thing quite often forgotten in a debate such as this. It means making certain their families back home are well looked after. I talk about the story of a young person involved in a conversation with me in the former Yugoslavia, in Bosnia. He said: "I do not mind being over here serving at all because I feel I am doing a job that has to be done. I do not mind it as long as I know my family is all right back home".

We cannot keep peacekeeping alive and do things the same way we did with the blue berets when circumstances require a different scenario.

From an historical point of view we can ask how much money it will cost. We can ask how many troops are needed. However, we do not get the answers for all these solutions in the future. The danger of doing nothing is far worse than the danger in the implementation of this peace arrangement.

We belong to the UN as a responsible partner. We have been a member of NATO for years. Today we hear about the Right Hon. Lester B. Pearson who brought about the first peacekeeping mission in Egypt. Let us remember one thing: Canada has done more than its share in comparison with any nation in the world in keeping up that policy.

Now as we try to take the steam out of heated debates and difficult situations in the world it becomes very important for Canada to be part of the solution and not part of an isolationist attitude.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, I would like to ask my distinguished colleague, known for his lifetime of study of military affairs, Canada's role in them and the constructive contributions he has made, whether in his discussions with the minister concerned he might find it useful to remind people that NATO, as a regional security organization, is subject under chapter VIII of the United Nations charter to the charter. Specifically by reference back to

articles 34 and 35 in article 52 of the charter, the security council's role in peacekeeping arrangements under chapter VI extends to operations of NATO and other regional military organizations.

Would it be appropriate perhaps in his discussions with the minister to remind the minister of that fact and perhaps bring forward in any adhesion by Canada to the new Bosnian force that it would remain subject to the United Nations charter, and subject to international law as established under the charter, whatever the nature of the military command, whether it be direct UN command, as in the past, or a particular general from one of the member countries of NATO?

Mr. Hopkins: Madam Speaker, history would have taken quite a different turn without an organization such as NATO, which came to birth during the cold war years and served a very useful purpose during all those years.

Today as we come into an era in world history where we have some 80 hot spots around the world, we may well have more Yugoslavias to look after as the years go by. I suppose it is a case of managing them. It is very important that NATO and the UN be partners in these conflicts. NATO is needed because of its expertise and the UN needs NATO because it is a cohesive body of 16 countries.

• (1745)

I would also point out to my hon. friend that in no way inhibits all the other UN countries of the world from coming in to support them and to work with them. Some 40 countries may well be involved in this. We will find out whether Canada is directly involved by a formal decision of cabinet. That is the way things are done in a democratic country.

In the world today, it becomes absolutely necessary that organizations such as NATO, organizations that used to be the communist bloc, organizations such as the UN at large, all come together in a co–operative spirit to manage some of those meanspirited operations that are out there in the world which have to be managed as the days go by.

In answering my honourable friend I look on it that all these are necessary. I am sure the minister is quite sure they are necessary, but we must always look toward putting them together as a massive international body for the good of mankind. If we do not we are wasting our energies.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, I am sure that most civilized people would like to see an end put to all of the rivalries and tribal wars and the genocide that accompanies them, not just in the Balkans but everywhere in the world. Particularly fearsome is Africa.

Because there is a time limit and this NATO effort would go absolutely nowhere without the Americans, what will happen if the battle moves into Macedonia and the Americans are out of there in a year?

Mr. Hopkins: Madam Speaker, I would like to think we do things with the best of intentions and the greatest efficiency that we can, with the knowledge we have at hand at the moment.

We want all the answers in advance of what will happen. If Napoleon had had all the answers he needed in advance, he would never have gone to Waterloo. There are always questions that have to be answered, but only time will answer them.

If we sit back and do nothing at this time, then we will only add to the problem. We know through world history that as problems become bigger and bigger eventually everybody is dragged into them.

As I said earlier today—

The Acting Speaker (Mrs. Maheu): The hon. member's time has expired.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, I am pleased to have this opportunity to lend my support to the motion we are debating today. It is the second time I have risen in the House on this issue. Although nearly two years have passed since that time, my position remains the same.

We must continue to lend our support to the international community's efforts to bring enduring peace and security to the Balkans. It was these efforts after all that brought about the Dayton peace agreement and we must do our part to show our continued commitment.

As the vice–president of the Canadian NATO Parliamentary Association, I have followed NATO's involvement in the Balkan crisis very closely. Through my participation I learned firsthand of the important role Canada plays in NATO.

[*Translation*]

For 45 years now Canada has been one of the key supporters of NATO because it was, and still is, in our national interest to do so. NATO membership has been beneficial for Canada in a number of ways: it has prevented world conflicts; it has helped us economically, by enabling us to maintain reduced armed forces, knowing that we could call for help if necessary; and, most important of all, perhaps, it has given us a voice in one of the key fora in the western world on issues of Euro–Atlantic and world security.

• (1750)

[*English*]

The greatest value of these benefits can only be achieved if Canada has credibility with its allies and continues to be an active member of NATO. It is therefore essential that Canada participate in IFOR.

[*Translation*]

We must not turn our backs on NATO, as if it were turning into a partner we could no longer trust to produce Euro–Atlantic and world security arrangements. It would not be in our interests to do so, particularly since the creation of IFOR is a key element in the changing structures and operations of NATO.

NATO's integrated command structure has always been one of its strong points. The Alliance is the only organization that has created an effective military force from the contributions of its various member states. During the cold war, however, this was a static structure spread out as widely as possible throughout its member states, with its eyes resolutely glued to the eastern bloc. This is not what we need now to ensure our security or that of our allies.

[*English*]

We need a NATO which is cheaper, which is flexible, which can act in any direction from which a threat can emerge and which can assemble forces organized, trained and tailored to a range of possible uses from classical peacekeeping to humanitarian intervention to collective defence.

As well, the NATO for the modern era must also be able to work with others, be they multilateral institutions like the UN or SCE which need organized military muscle or other countries, big and small, which see an interest in what concerns NATO.

In January 1994 such a concept for the evolution of NATO was endorsed by the North Atlantic Council under the concept of combined joint task forces. However, since then the concept has been stalled in spite of Canada's best efforts to move it along.

Necessity being the mother of invention, the need for NATO to get its act together to enforce the peace in Bosnia has resulted in the alliance's first combined joint task force, the IFOR. There must be no going back for NATO and Canada's voice will only be heard in making these lessons stick if it is part of this latest great step forward in the adaptation of NATO.

Now would be perhaps the worst of times to turn our back on NATO and our allies but the value of participating in IFOR to maintain allied solidarity is at most only half the story. For the past three years, Canada and Canadians have seen participation in multilateral military operations in the former Yugoslavia as being in our national interest.

[*Translation*]

It was in our national interest because we consider European security part and parcel of our own. We have trade, historical, military and emotional ties with Europe. We have learned from experience that European conflicts can spread to our allies, and even to our own country. In the past, Balkan conflicts have had a particularly strong tendency to spread with a ripple effect, as far as Canada even.

If we wish to be able to continue to depend on the protection of an effective system of international security for ourselves, we must make a significant contribution to it when the system is being used to protect others.

Many Canadians originally come from these areas and an even larger number come from neighbouring countries whose stability is at risk.

Canadians cannot stand aside while others suffer. Many people in Bosnia today owe their lives to the presence of Canadians.

The signing of a peace agreement has not obscured this aspect of our national interest, and we will not be satisfied until Bosnia and the surrounding region once again enjoy stability, peace and security. This will require the full implementation of the Dayton peace agreement. This, after what has happened in the past, will require the presence on the ground of a multinational military force under the command of NATO.

[*English*]

We have struggled and bled through the worst of times in Bosnia. What do the effort, money and lives that have been spent to date mean if the job is not carried through to its conclusion? It is for these reasons that I support the motion and Canadian participation in IFOR.

My support and what I hope will be the support of this House does not give the government, the military planners or NATO carte blanche to send Canadian troops on the mission. Canadian participation in IFOR should conform with the principles for multilateral missions laid out in the 1994 white paper, including a clear and enforceable mandate, an effective consultation process among mission partners, a defined concept of operations and clear rules of engagement.

• (1755)

[*Translation*]

The Dayton agreement provides the foundation for a clear and binding mandate. NATO's participation guarantees the presence of a separate agency to monitor the situation. It also provides guarantees for an effective consultation process, until now often lacking in UN operations in Bosnia.

The membership of IFOR, which includes nearly all NATO member countries, Russia and up to 19 other countries, should be sufficiently diverse to be acceptable to all parties. There is

every indication that principles fairly similar to ours formed the basis for planning operations.

[*English*]

Clearly Canada's participation in implementing the peace plan cannot be open ended. The seemingly never ending peacekeeping mission in Cyprus must not be repeated. While the UN operation in Cyprus was an example of classical peacekeeping, different from the peace enforcement initiatives being put forward by IFOR, it is imperative that a definitive timetable be put forward.

The UN security council has repeatedly called for the withdrawal of all foreign troops from Cyprus, the voluntary return of refugees to their homes, the cessation of all interference in the internal affairs of Cyprus and respect for its sovereignty, independence, territorial integrity and unity. Now more than 20 years later, the situation on the ground is no different with more than 30,000 heavily armed Turkish troops continuing to illegally occupy nearly 40 per cent of the territory of Cyprus. The UN mission in Cyprus has been hampered time and time again by the intransigence of Turkey.

The proposal for the complete demilitarization of the Republic of Cyprus put forward by the president of Cyprus, Mr. Glafcos Clerides, is the concrete solution to this longstanding problem. Similar resolutions have been supported in the United States congress and most recently the Australian Parliament unanimously adopted a resolution in support of the demilitarization of Cyprus. Canada must also put forward a resolution in support of this to indicate that the status quo is no longer acceptable and negotiated settlements must be brought forward.

Time and time again it has been seen that only a united effort will bring about the resolution of the most complex disputes. Today's debate will lend Canada's voice to the united effort that is being put forward in helping to bring peace to the Balkans.

At this point I wish to refer to the continued response of Canada to the humanitarian issues in the former Yugoslavia. As chair of the Standing Committee on Citizenship and Immigration I applaud the initiatives of the government through the Minister of Citizenship and Immigration. Under the special measures program nearly 7,000 citizens of the former Yugoslavia have been landed in Canada since 1992. As well, the joint sponsorship program has seen more 270 persons in need of resettlement sponsored to date.

The government will continue these programs for as long as a need for humanitarian aid continues. It is part of our commitment to the United Nations and our responsibility to the international community to ease the suffering of citizens in the former Yugoslavia.

[*Translation*]

The people of Canada will not rest until peace and security have been restored in Bosnia. As parliamentarians we have a duty to support them and to force the government to report on the progress of this mission.

[*English*]

In conclusion, I believe that Canada should participate under NATO command first because it is in our national interest to take our three years of efforts to bring peace and succour to Bosnia to a logical and positive conclusion and second, because it is a demonstration of our commitment to NATO which is a vital component of our national security.

The Acting Speaker (Mrs. Maheu): I am sorry, but the hon. member's time has expired.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Madam Speaker, I will be dividing my time with the member for Athabasca.

Like my colleagues who preceded me, I am considerably disappointed in the fact that this is just a take note debate. There is no great honour in participating in a charade. We are here to give an aura of respectability to decisions made by cabinet and DND bureaucrats, life and death decisions affecting our Canadian forces.

This is a matter which should not have been about partisan politics, a family matter if you will, but a matter in which we could put our ideological differences aside, sit down and reason together, make the best decisions possible and vote freely without the lash of the party whips. However, that will not happen.

• (1800)

The Prime Minister and I are about the same age. Neither of us will ever be asked to pick up an Armalite or step into a minefield. If, as usual, old men—and we are mostly men in this place—are to be asked to decide to send young people to die in a foreign land, they should be able to make informed decisions, which is a condition this government is denying those of us on this side of the House.

The briefing we received on November 30 was not very informative. That is putting it rather gently. The unfortunate officer who had to deliver it was not in a position to tell us even approximately how large a force cabinet has decided to commit. He did not know what sorts of troops Canada would be sending, what their function would be or what the long term objectives would be. Under those circumstances it hardly seemed worthwhile to ask him how they would be equipped or where our impoverished military would be able to scrounge effective weaponry on short notice.

In spite of my objections to giving a blank cheque to cabinet on this matter I am not an isolationist. I believe that for the sake of international political stability as well as for the sake of common humanity we must at times be our brothers' keepers.

For more than a year before the UN finally stopped temporizing and bluffing I strongly advocated tactical air strikes against the Bosnian Serbs to protect the so–called safe havens. The tiny under armed peacekeeping forces were incapable of serious intervention, but the use of superior air power was something that was doable. And it did work, albeit too late for thousands and thousands of civilians.

With the hostilities more or less on hold and with most of the exhausted combatants ready to sign a peace agreement on December 14, I can see some merit in deploying significant well equipped ground forces to in effect keep reminding the three parties that the war is over. The two divisions proposed by NATO should be adequate to do the job, although that is by no means certain.

I believe Canada should participate in something, but what? Canada faces a moral and practical dilemma. We must never again send inadequately equipped troops into harm's way. Our peacekeepers performed magnificently in Bosnia with limited supplies and equipment, some of it obsolete. However, under the more severe rules of engagement proposed for the NATO force, Canadians could end up being cannon fodder. That is not an idle fear. Aside from the fact that Canada cannot properly equip a significant fighting force on short notice, there is no indication that Canada will be significantly involved in the military and political decision making process beyond helping to define the rules of engagement.

If the mission turns out badly, neither the Minister of National Defence nor the Minister of Foreign Affairs can assure Canadians that our soldiers will not be put at undue risk because of decisions made by other nations. We are no longer a big kid on the block and we are unlikely to be treated like one within NATO councils. With our deteriorating economy and feeble military capability we cannot expect to be taken very seriously, notwithstanding our past contributions to UN endeavours.

NATO has indicated this will be a quick and dirty operation that will only last about 12 months. That sounds reassuring, but what exactly is proposed if when the magic deadline approaches the troops are actively engaging one or more of the belligerent parties? If DND or the Department of Foreign Affairs have the slightest idea, they are not telling anyone. There is no such thing as a timetable for war. Even if DND could cobble together an adequately equipped and militarily significant force right now, we would not have the resources to sustain it for a prolonged and indefinite period.

• (1805)

In summary, Canada's participation in whatever cabinet is proposing to do might save lives and help to maintain world political stability. However, with our military gutted by this and preceding governments, with our top heavy military bureaucracy and our thinly stretched and overused cadre of combat troops, we simply lack the capability to make an effective effort. In military parlance, the tail of the Canadian forces is overdeveloped and the teeth have been neglected. Our plethora of generals and colonels cannot throw their desks at the Serbs.

To suggest that we can continue to be the world's 911 number is false and misleading puffery. My advice to the government is that it be guided by its white paper of December 1994. Sit this one out. Do not get us in over our heads. Do not start something we cannot finish.

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, first let me say that I believe we have to be involved in the peacekeeping effort. As the hon. member mentioned, political stability is very important. In spite of the misgivings of the hon. member, if Canada were not involved, seeing as it has been an architect of peacekeeping, then there would be many other countries that would not get involved.

The hon. member mentioned that we lack the capability of making a credible effort in this regard. I wonder if he and his party would like to come forward to give us the number of soldiers that should be sent and what kind of equipment they should have, instead of undermining the efforts of the government to fulfil a very useful role, a role we have been instrumental in pioneering.

Mr. Morrison: Madam Speaker, as I said, it appears the government wants to give an aura of respectability to the decisions it has already made.

The hon. member asked how many soldiers we would send and how we would equip them. I would rather the hon. member tell us how many soldiers the government has decided to send and how it hopes to equip them when we simply do not have the equipment. We did not even have adequate equipment for our poor little peacekeeping forces with their light armour and obsolete personnel carriers. How on earth will we equip a genuine fighting force?

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, if I was confused earlier this morning, I am even more confused now.

Earlier the Reform member stated that he supported air strikes. When our peacekeepers were in the region last year the Prime Minister had to put a halt to it. We had ground troops in there. The United States of America did not have ground troops and of course the U.S. was advocating air strikes. The hon. member says we do not want our soldiers to be injured; we do not want to bring them back in bags. I am really confused. They are saying send in the planes and bombard these people. Can they clarify their position?

If they wanted more information, they could have come to the briefing. They could have provided input. But they did not bother to show up. All they do is sit there and criticize. To me this is a blatant flip–flop: one day one way, the next day the other.

• (1810)

Mr. Morrison: Madam Speaker, I do not believe I saw the hon. member at the non–briefing we attended.

With respect to the question of air strikes, I would remind the hon. member that when air strikes were first mentioned we had almost unanimous agreement in the House on that particular matter. This is nothing new. At that time it was clearly stated by members from all parties this did bring in the possibility that our forces would suffer casualties.

Nobody over here is saying that our soldiers are not capable of fighting and that they cannot take casualties. What we are saying is they have nothing to fight with. The Liberals want to send them over there to fight the Serbs with their teeth, and they cannot do it.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I am not sure what the hon. member just said. I think he said the Reform Party's position was not that we not send troops to fight. That certainly was not the position the third party defence critic concluded. After 30 minutes I finally got it out of him.

I want to ask the third party members if they believe we should have Canadian forces that are not able to participate in armed conflict. What do we have an armed forces for, to sit at home and stick their tongues out at people?

Mr. Morrison: What I would like to know is what do we have a Minister of National Defence for? These are the forces that have had no decent support from the politicians and the bureaucrats behind them. They do not have the equipment. The Liberals want to send them over there to take their lumps. I would suggest that some hon. members opposite, if they are so bloody brave, should pick up their Armalites and head for Bosnia.

Some hon. members: Right on.

Mr. David Chatters (Athabasca, Ref.): Madam Speaker, I am delighted to participate in the debate because I have somewhat of a unique position on the whole issue, having a son in the Canadian Armed Forces who could end up as part of this mission and possibly be one of those who could come back in a body bag if this thing turns into a disaster.

Mr. Collenette: Great optimism. A great thing to say.

Mr. Chatters: Well, the minister does not give one great cause for optimism. I will put it that way.

Mr. Collenette: I am glad I am not your son, hearing that from his father.

Mr. Chatters: Well, I am sure he would not choose you to be his Minister of National Defence, as well.

Mr. Hoeppner: How many sons do you have over there? Let us hear an answer.

The Acting Speaker (Mrs. Maheu): May I remind the hon. members that comments should be addressed through the Chair.

Mr. Hill (Prince George—Peace River): Remind the minister of that.

Mr. Chatters: Madam Speaker, I have looked forward to this debate for some weeks, having heard the Prime Minister say that he promised a full debate in the House of Commons before any decision was made in regard to this matter. I can only say that I was extremely disappointed to find out in the last couple of days that the whole debate was to be a fraud, a sham, that the decisions have already been made, not only to commit soldiers but how many soldiers would be committed.

I suppose five years from now the auditor general will be able to tell us what the operation will cost, because the Minister of National Defence, the finance department and the government have no idea what it will cost, or at least they are not willing to share it with us.

The government knows what the command structure will be for the Russian forces there and who will be in charge of those forces, but they do not know yet who will be in command of the Canadian Armed Forces and what the command structure will be. That does not give one great confidence. In addition, there is the unmitigated arrogance of members across the way to taunt us on this very serious matter, this insult to democracy we have witnessed all day.

I can say that the Reform Party has every bit as much concern as anybody on that side of the House for the suffering and the atrocities that are taking place in the former Yugoslavia. However, our primary concern must be for our Canadian sons and daughters. My concern is that the government would send my son and his colleagues into the theatre of war without properly equipping them and without proper command. I think that is truly atrocious.

• (1815)

We have simply asked from the beginning of this whole debate that the government and the ministers lay before Parliament a proposal that would clearly lay out the Canadian criteria, the mandate for the mission. We have also asked that the government lay out the command structure and how our Canadian soldiers and commanders would fit into that structure.

As we have heard before in previous debates on this issue, there were great concerns that we were one of the major forces in the peacekeeping effort in the former Yugoslavia and that we had absolutely no input into the decisions made concerning

those forces. We really do not want to be in that situation again. We want to be able to make decisions and be part of that command structure.

We also asked that the government lay before Parliament for debate the rules of engagement. What happens when some of these war criminals are arrested and taken into custody? What happens when our Canadian soldiers are face to face with those individuals and perhaps need to shoot somebody to enforce the mandate they have been given?

I do not think we have heard anything on any of these issues. We have questioned the business of the length of the commitment. We have heard 12 months yet we hear that at the end of 12 months this mandate is to be handed over to some fictitious organization, that our soldiers will be withdrawn and the authority transferred to others.

It is unbelievable that they can go into the situation that exists there now, then in 12 months democratic elections will produce some kind of a government structure to turn this whole situation over to.

We have heard again from our members the problems our peacekeepers have already faced in the former Yugoslavia such as our soldiers not having enough combat helmets. They certainly do know which way to wear them, front or back, but if they do not have them it is difficult to put them on either way.

We have also heard about the armoured personnel carriers, the rolling coffins our soldiers were riding around in and the efforts to armour them to provide safe transport for our soldiers. After that they were so heavy they did not have enough power to get to the top of a hill. There are all kinds of horror stories, and that was a peacekeeping role. Clearly the members opposite do not seem to understand the difference. This is not a peacekeeping role. This is a combat role.

I believe we have asked a lot of reasonable questions which the government would have brought forward. We had hoped Parliament might have a chance to have a free vote on the issues debated and that members could make a democratic decision on behalf of their constituents based on that vote.

An hon. member: We make democratic decisions and you do not agree with them anyway. You lose the vote and then you complain.

Mr. Chatters: Yes, we know all about your democratic decisions.

I am truly disappointed and concerned for the welfare of our young people whom the government is now sending into a combat situation. My family has a long tradition of very proud participation in Canada's military. It has served in the second world war and Korea. Now my son in the Canadian Armed Forces participates in the peacekeeping roles. My son and I are truly embarrassed by what Liberal governments have done in the last 30 years to the Canadian military, once one of the proudest organizations in the world with much to be proud of.

• (1820)

We have expressed great concern with the ability of the government to put the kind of a combat battalion in the field that is equipped to do the job, to rotate it on a regular basis and to avoid the battle fatigue and the problems we faced in the peacekeeping role in Yugoslavia.

To begin again, after some of our soldiers have put in four tours of duty in the former Yugoslavia with all the problems that has caused for the families and children of those people, there are grave concerns as to our ability to do that and at the same time preserve some kind of family structure for those involved.

Again, I am truly disappointed. I wish the government would be honest and provide a chance for some democracy in this place.

Mr. Janko Peric (Cambridge, Lib.): Madam Speaker, tonight from all three parties in this discussion I have been hearing the expression the former Yugoslavia. Let me clarify this. The former Yugoslavia means a territory of newly formed countries, starting with Slovenia, Croatia, Bosnia–Hercegovina and the former Republic of Macedonia.

It would be absurd to use the expression of Latvia as the former Soviet Union. I would appeal to members to use proper names. Those countries are members of the United Nations.

Mr. Chatters: Madam Speaker, I do not believe there was a question there.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, thank you for the opportunity to address some of the key concerns that—

The Acting Speaker (Mrs. Maheu): We are still on questions and comments.

Mr. Bevilacqua: I am aware of that and you will get a seven–minute comment from me.

This debate is about two things: the recent Dayton peace agreement in light of the international community's continued effort to bring enduring peace and security to the Balkans, and to consider Canadian support for peace efforts by participation in a multinational military implementation force under NATO command.

Like Canadians everywhere, the residents of York North want to see this crisis resolved. They have watched civilians on both sides of the conflict suffer unnecessarily. They have seen fellow Canadians risk their lives participating in humanitarian missions. They view the Dayton peace agreement as a ray of hope

and they support Canadian participation in an implementation force.

Canada has long been an active player on the world stage. In the spring of 1945 Canada and 49 other nations gathered together to draft and adopt the charter of the United Nations, an international body created to prevent military conflict.

Since that day Canada has played an important and influential role in the operation of the United Nations.

• (1825)

It was, after all, our own Right Hon. Lester B. Pearson who presented the concept of peacekeeping to the world in response to the Suez crisis of 1956. He was awarded the Nobel Peace Prize for his efforts.

Canada has taken part in almost every single United Nations peacekeeping operation since 1956 and many other missions outside the organization. As of November 1 of this year more than 1,600 personnel are deployed in 13 missions, making Canada the sixth largest troop contributor.

My question is simple. Why would the Reform Party try to break down this very important Canadian tradition of helping a country during a very important crisis?

Mr. Chatters: Madam Speaker, certainly you will not find me or any of my colleagues disputing the past history of the Canadian Armed Forces. We distinguished ourselves many times on the battlefield and would continue to do that again.

The members of the armed forces are there because they are willing to do those things. They cannot do those things if the government does not provide them the tools.

It is truly disgraceful what the Liberal government has done to our Canadian Armed Forces since the end of the second world war. Do not imply that we think any less of our armed forces or are any less proud of our armed forces than you are.

It is time you put your money where your mouth is, put the money up and provide the equipment—

The Acting Speaker (Mrs. Maheu): I am sorry to have to remind the member once again to please address your comments through the Chair. We have time for a very brief comment by the member for Scarborough Centre.

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, this is what true democracy is all about, to be able to debate this important issue in the House.

I mentioned earlier about the flip–flop—

The Acting Speaker (Mrs. Maheu): I am sorry, there is a point of order.

Mr. Mills (Red Deer): Madam Speaker, to the parliamentary secretary, because time is about to expire I would like to ask the hon. member if he could ask for unanimous consent to extend—

The Acting Speaker (Mrs. Maheu): I am sorry, I thought you were asking a question of the parliamentary secretary.

Mr. Milliken: Madam Speaker, I am happy to answer the hon. member's question. There have been some consultations. I have spoken with the Minister of National Defence. We will be more than happy to extend the debate after the vote scheduled for 6.30 p.m.

We would be prepared to extend the debate for two hours to 9 p.m. on the understanding that during the extended hours of debate there would be no dilatory motions, no quorum calls and no other business called or motions put to the House except the item under discussion.

We would be more than happy to extend for that two–hour period if it would help the hon. member. I understand there are many hon. members who wish to participate in the debate.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to extend the debate until nine o'clock under the conditions stipulated by the parliamentary secretary?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): The remainder of the time is to the hon. member for Scarborough Centre.

Mr. Cannis: Madam Speaker, it is wonderful and this is democracy at its best to be able to debate this most important issue.

I mentioned flip–flopping. The reverse party—I mean the Reform Party—is stating here that our troops are not equipped and that they are not prepared. I do not know what impression it has. It thinks we will send our troops over there unequipped, unprepared. That is a false illusion. If the Reform Party thinks there is an expenditure needed, is it supporting the minister to spend the money? If he spends the money the Reform Party will come back and haunt him for spending money when we should cut. What is its position?

The Acting Speaker (Mrs. Maheu): It being 6.30 p.m., pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the second reading stage of Bill C–110, an act respecting constitutional amendments.

* * *

CONSTITUTIONAL AMENDMENTS ACT

The House resumed from December 1 consideration of the motion that Bill C–110, an act respecting constitutional amendments, be read the second time and referred to a committee.

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. 388)

YEAS

Members

Adams	Alcock
Allmand	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Bélair
Bélanger	Bellemare
Bertrand	Bethel
Bevilacqua	Bhaduria
Blondin–Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Caccia
Calder	Campbell
Cannis	Catterall
Chamberlain	Chan
Clancy	Cohen
Collenette	Collins
Cowling	DeVillers
Dhaliwal	Discepola
Duhamel	Dupuy
Easter	Eggleton
English	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Grose	Guarnieri
Harb	Harper (Churchill)
Harvard	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap–Breton Highlands—Canso)	Lee
Lincoln	Loney
MacDonald	MacLellan (Cape/Cap–Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord–Ouest)
McTeague	McWhinney
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna
Mitchell	Murphy
Murray	Nault
O'Brien	O'Reilly
Pagtakhan	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Richardson	Rideout
Ringuette–Maltais	Rock
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Sheridan
Simmons	Skoke
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Terrana
Thalheimer	Torsney
Ur	Valeri
Vanclief	Verran
Volpe	Walker
Wells	Whelan
Wood	Young
Zed—145	

NAYS

Members

Ablonczy	Althouse
Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bachand	Bélisle
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Blaikie	Breitkreuz (Yellowhead)
Brien	Brown (Calgary Southeast/Sud–Est)
Caron	Chatters
Chrétien (Frontenac)	Crête
Cummins	Dalphond–Guiral
de Jong	de Savoye
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Gagnon (Québec)
Gauthier	Godin
Grey (Beaver River)	Grubel
Guay	Hanger
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hill (Prince George—Peace River)
Hoeppner	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)	Ménard
Mercier	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Picard (Drummond)	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Solberg	Solomon
Speaker	St–Laurent
Stinson	Strahl
Taylor	White (Fraser Valley West/Ouest) —76

PAIRED MEMBERS

Bernier (Mégantic—Compton—Stanstead)	Bouchard
Canuel	Cauchon
Copps	Culbert
Daviault	Debien
Dingwall	Gagliano
Graham	Guimond
Hickey	Lavigne (Verdun—Saint–Paul)
Lebel	Leblanc (Longueuil)
MacAulay	Maclaren
Marleau	Pomerleau
Robichaud	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne

• (1855)

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Justice and Legal Affairs.

(Bill read the second time and referred to a committee.)

THE BALKANS

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to an order made earlier today, the House will now resume consideration of government business, Motion No. 27.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, thank you for the opportunity to address the House on this very important issue.

I would like to reiterate some of the important issues that I raised earlier on. This debate is about two major things: first, the recent Dayton peace agreement in light of the international community's continued efforts to bring enduring peace and security to the Balkans; second, to consider Canadian support for these efforts by participation in a multinational military implementation force under NATO command.

The residents of York North, like Canadians everywhere, want to see this crisis resolved. They have watched civilians on both sides of the conflict suffer unnecessarily. They have seen fellow Canadians risk their lives participating in humanitarian missions. They view the Dayton peace agreement as a ray of hope. They support Canadian participation in the implementation force.

Canada has a long tradition on the world stage in relation to peacekeeping. We know that under the leadership of the Right Hon. Lester B. Pearson, who presented the concept of peacekeeping to the world in response to the 1956 Suez crisis, we are indeed world leaders.

Canada has taken part in almost every United Nations peacekeeping operation since 1956 and many other missions outside the organization. As of November 1 of this year more than 1,600 personnel are deployed in 13 missions making Canada the sixth largest troop contributor.

Since the end of the cold war, the nature of conflict has changed. It has become more regional and complex. The need for peacekeeping forces is increasing rather than decreasing. Peacekeeping forces, whose original missions were to monitor ceasefires, are now working on the maintenance and re–establishment of peace, delivering humanitarian aid, supervising elections and monitoring human rights abuses.

The parties to the conflict in the former Yugoslavia want peace. They have fought and suffered for several years. They are tired of the carnage and are prepared to pursue their goals through negotiations and political means. They have signed a complex agreement setting out the compromises and frameworks they are prepared to live with.

After more than four years of bitter fighting, peace may finally be at hand in the former Yugoslavia. The people of the region have endured terrible hardships. There could be no accurate measure of their suffering or loss. The effects of this conflict will be seen for years to come. Citizens will bear the emotional scars of being witnesses to the atrocities of war, of having had loved ones die in their arms from causes so simple and so possible to prevent: starvation, hypothermia, dehydration.

The land is scarred from years of battle. Bombs, chemical spills, mines and neglect have taken their toll. The infrastructure has been eradicated. It was only recently that electricity was restored to Sarajevo. Roads, buildings, sewer systems, the fundamentals that we as Canadians take for granted must be rebuilt.

What is critical to any peace process involving the use of peacekeeping troops is that the military component must be accompanied by a strong, viable political process. In the former Yugoslavia we now have a strong peace process. The Dayton peace agreement points the way clearly to a new political reality designed to end the fighting and conflict in that region.

What is required militarily is a brief period of stability to allow the implementation of the political steps agreed upon. The international community has laid the foundation for a strong peace process. The Dayton peace agreement points the way clearly to a new political reality designed to end the fighting in that region.

• (1905)

The Dayton peace agreement calls for, among other things, country–wide elections to be held within nine months. Free elections would be a tremendous step forward in the former Yugoslavia. A truly democratic election process that produces a government and a leader supported and chosen by the population would go a long way to ensuring the cohesiveness of the country.

Free elections require stability, freedom of movement and freedom of information. We must counteract nearly four years of war and hate. The groundwork must be laid to ensure that elections are feasible. One way of ensuring a successful election is to provide residents with a commitment to personal security.

Canada's efforts to re–establish peace in the former Yugoslavia are extensive. Over the last four years Canada has played a significant role in the international community's efforts to deal with the war in the former Yugoslavia. These efforts have been carried out primarily through the United Nations and NATO. Not only have Canadian military personnel helped prevent the conflict from spreading to other parts of the region and from becoming more brutal, they have also saved countless lives by assisting and delivering humanitarian relief supplies and preventing more massive assaults on civilian populations.

In September 1991, Canada led the call for the United Nations Security Council to deal with this situation. Since then Canada has contributed one of the largest contingents to UN forces in the former Yugoslavia. As the mandate of the UN forces evolved over the course of the conflict, so did the tasks performed by Canadian troops. Their duties have ranged from traditional peacekeeping functions such as monitoring ceasefires to more challenging roles such as establishing humanitarian airlifts, repairing schools and supporting hospital workers.

With the peace process now moving into a new phase, the Canadian forces are ready if necessary to serve with an implementation force. The peace implementation force plan calls for roughly 60,000 personnel. This plan covers the military aspects of the peace agreement negotiated in Dayton. It will be implemented after a UN Security Council resolution is passed authorizing the mission. The objectives of the implementation force are as follows:

The first objective is to ensure compliance with the military aspects of the peace agreement. This would include, in particular, the withdrawal of forces to their respective territories as set out in the agreement and the establishment of agreed lines of separation of those forces.

The second is to create secure conditions for the withdrawal of UN forces currently in place.

The third is to create secure conditions for the conduct of other non–military tasks associated with the peace agreement. The UN, the European Union and the Organization for Security and Co–operation in Europe will be among the organizations carrying out civilian duties. All our NATO allies will be participating, with the exception of Iceland which has no armed forces. Among non–NATO nations, 19 including Russia, have indicated a willingness to contribute.

Finally, the plan calls for the replacement of the implementation force with non–NATO forces after 12 months. This transfer would occur regardless of whether the peace agreement has been fully implemented. Citizens of the former Yugoslavia view the Dayton peace agreement as a ray of hope. Canadian involvement in the implementation force would allow this ray of hope to shine.

• (1910)

Mr. Ron MacDonald (Dartmouth, Lib.): Madam Speaker, I am very pleased the debate has been extended because if it had not been, I would not have been able to put my views on the record.

A lot of members are very interested in what is going on in Bosnia and Croatia and the other states of the former Yugoslavia. In my constituency there are many individuals whose families have served in a number of different support functions with the United Nations since this conflict started. In the Dartmouth–Halifax area because the east coast Canadian navy is there, there are many individuals who have served onboard the ships which offered logistical support in the Adriatic. Many individuals from Atlantic Canada have served on a number of the missions in Bosnia.

The hon. member for Athabasca indicated earlier that perhaps he was in a unique situation because his son might be one of those called upon to serve. He may be unique in that regard but there are many of us, myself included, who have family members in the Canadian Armed Forces.

My brother Paul served in peacekeeping missions under the UN as a blue beret in Cambodia. Cambodia was a very difficult mission. There were no warring factions at that point in time, but it was a highly unstable political situation. It was difficult on family members. It was difficult on Paul's fiancée at the time but he served proudly wearing the blue beret of the United Nations. He served there proudly as a member of the Canadian Armed Forces.

My nephew, Neil Bernard MacKinnon, served two or three tours of duty in Bosnia. He was a young man in his early twenties. When he would visit, my dad, who served in the second world war, would say: "I think Neil Bernard has seen more slick trenches by his stories from Bosnia than I did in the Italian campaign during the second world war". That young man dedicated himself and his life to serve the Canadian Armed Forces. He served very proudly under very difficult circumstances in Bosnia. It is unfortunate because he lost his life in the spring of this year, not in Bosnia but here in Canada in a training exercise in Suffield. This is currently the subject of an inquiry.

Some of the best remembrances I and my family have of Neil Bernard are his stories about the service he gave in Bosnia, about the humanitarian tragedy that was unfolding in that particular state and about the important role played by Canadian peacekeepers serving under the UN banner in that little part of hell. That is how he described it to me one day.

Today it is important that as parliamentarians we not debate in isolation. I have heard a lot of isolated debate today. I have heard a little bit too much partisanship in the debate as well. We are talking about the soldiers, the men and women who have chosen to serve this country, Canada, through the Canadian Armed Forces. We sent these people over there in a time of war and conflict when there was no peace to keep. They provided humanitarian aid. Some were injured and some were killed. Some were scarred by what they saw, but nevertheless they did it because they believed in the Pearson commitment to humanitarian aid and peacekeeping through the United Nations.

I remember in the last Parliament we had another debate on the UN and UN resolutions with respect to the Persian Gulf crisis. I remember quite well having to speak in that debate. It was certainly not as focused as this debate is. The government at the time did not want us to speak specifically about whether or not our troops would be committed if a war did break out. It was a resolution on whether or not we supported UN resolutions. I remember I was waiting to speak on that bill. There was a long

list at the time. It was a motion. My interest in speaking was that I knew if a war did break out and the Canadian government committed troops there would be men and women who lived in my riding, some of whom lived in my neighbourhood and some of whom had children who went to school with my children, who would be committed.

• (1915)

As members of Parliament, I wanted everybody to be quite aware of the dangers of such a commitment of forces in the Persian Gulf. I supported at that time the government of the day doing what it did. I supported that Parliament and the Canadian government had to support members of the Canadian Armed Forces.

It is a little different this time around. We are being asked to debate the principle of whether we should continue, now that we have the Dayton peace accord, to provide troops for a one–year period as peace is implemented in Bosnia.

Clearly, the members of the Canadian Armed Forces have been truly tested over the years from budget cuts and lack of equipment they believe they need. But not once have I talked to a member of the Canadian Armed Forces who was not prepared to go and do the job they joined the armed forces to do. If that is in protection of the sovereignty of our country, they are there to do it. If it is to go and protect or preserve a peace or to try to bring about a peace in a foreign state, they are prepared to serve.

I am rising today to say that I support the Canadian government participating in the IFOR in Bosnia. I do not do it lightly. I do it knowing full well, as the member for Athabasca said, that when you get involved with an action like this there are inherent dangers. Members of this place have to understand that when they speak in support or not in support of motions such as this.

I also believe very strongly that we can no longer continue to ask the members of our Canadian Armed Forces to do more with less. During the Persian Gulf situation and since 1991 in the Bosnian situation, there is no question that what we have done is ask our men and women in the Canadian Armed Forces to stretch the resources further than the resources many times could be stretched.

I am one of those who believe that if we want the Canadian Armed Forces to continue to hold up the very credible reputation that Canada has worldwide for its peacekeeping and peacemaking efforts, then we must provide the resources to the armed forces to make sure they are the best equipped forces in the world.

I get worried about talk of continued budgetary cutbacks. I get worried when I know that perhaps some of the equipment our armed forces has is not what it should be. But I get equally worried when I hear members opposite of the third party, the Reform Party, who want to have it both ways. Two or three times in debate they have criticized the government for allowing a debate to happen, which is outrageous, and have said that we cannot send troops over because they are not properly equipped.

I do not care what the Minister of National Defence says and I really do not care what the Minister of Finance says with respect to the need to get the deficit down when I know there are members of the Canadian Armed Forces who do not have the resources they require to do the job we ask of them.

I will say it in this place. I said it publicly and I will continue to say it, even though some in my party may not like me saying it. At least I am not hypocritical. I am consistent. I have been for the seven years I have been here.

What I would like to find out from the members opposite, from somebody in the Reform Party, is whether they are in favour of sending troops over. Please say so. If it is with the condition that there is more money allocated through the budgetary process to provide them with better helicopters to replace the Sea Kings, I will be the first one to jump up and say I agree with them. If it is with the assurance that the announced armoured personnel vehicle program be accelerated, which would cost a little more money, I would agree with them. If it is conditional on the purchase of new submarines to retire the aging class we have most of the time that do not work because they are so bloody old, I will agree with them.

I would like them to be clear and intellectually honest in a debate like this. The men and women of the Canadian Armed Forces deserve better than political rhetoric on the floor of the House of Commons when there are motions put forward debating whether or not they participate in international obligations, particularly when there is the threat of injury or even death.

• (1920)

I support the government's initiative, but I will also put it on the record that I want the government to ensure the troops we send have the resources they need to do the job we ask of them.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure to speak in the debate on Bosnia and Canada's role in this important geopolitical problem.

There have been four years of brutal war. Two million people have been displaced. Over 200,000 people have been killed. Now, thankfully, there is the Dayton peace plan. It is a welcome initiative. However, there is something we must understand: it is a fragile peace plan and it is only the beginning. The international community must realize the Dayton peace plan gives the

world an opportunity to provide long lasting peace in Bosnia; however, it is not the end of the situation.

In the long term, history tells us that peace cannot be enforced at the end of an assault rifle. It has to come from peace building initiatives from people on the ground. Any time there is a civil war that tears apart a country, as the conflict in Bosnia has done, the seeds of ethnic discontent, hatred and future wars will be there. The only way to combat that is for us to contribute to peace building initiatives for the disparate ethnic groups in that land.

Let us look at the scenario that now faces us. The 12–month timeline that has been set up by the supreme allied command is a fantasy. The people of that region will be there for a longer period. We have to ensure that we will not be engaged in a Cyprus in the middle of Europe. We have to understand that the Bosnian Serb population is very tenuous, with Radovan Karadzic and General Mladic saying they will make certain parts of the former Yugoslavia bleed, namely Sarajevo. They are an element that has to be neutralized.

The Muslim–Croat alliance that exists now is tenuous at best. Many people tend to forget that two years ago these two groups were fighting a bloody war within Bosnia. Much has to be done to mend fences there. The Bosnian federation as it now exists with two federations under the umbrella of one country is also tenuous. It will fracture. Whether it fractures into two areas or three, with a Croat–Bosnian–Muslim and a Bosnian Serbian group or with the Croats and Muslims divided into two groups, is yet to be seen. In my estimation, Bosnia will fracture into at least two or three groups. It is important for us to ensure the fracturing is accomplished through diplomacy and not at the end of an assault rifle.

There is much that has to be done, and IFOR gives us the opportunity. Troops need to be deployed but they do not have to be Canadian troops. I believe there is a way around this situation. The European Union has a force of 50,000 troops that has never been tried. That force is well armed and well equipped. The European force can use Bosnia as a teething ground under the existing NATO command structures. A lot could be learned from this, which could be used in future peace building initiatives.

Canada has done its part. Our armed forces have done an admirable job in the former Yugoslavia. Our troops need a rest. They need to re–equip and take a bit of a break.

Bosnia will secede. As I said before, we want to ensure that it secedes peacefully.

I believe the effective contribution Canada can make, rather than sending over troops, is to ensure the peace building initiatives that take place on the ground continue. We can contribute engineers for the rebuilding of infrastructure: hospitals, roads, bridges and the like. We can also utilize NGOs and civilian groups to contribute to the peace building and peace bridging that must happen with the civilian population in that region. This is something we are good at and something we can contribute to the peace building process in the former Yugoslavia without contributing troops.

• (1925)

Economic prosperity in any war situation is absolutely fundamental for the peace building process. Just because we are enforcing a peace with an international protection force now does not mean to say there will be peace in the future. Contributing to the infrastructure development and developing economies so the people in the area can stand on their own two feet is absolutely fundamental for peace building.

One of the things we can do to neutralize Radovan Karadzic and General Mladic is to take away their power base. The people in Sarajevo are scared, the Bosnian Serbs in particular. If we can contribute to making sure they will be secure in their environment, they will not provide a fertile ground for General Mladic and Mr. Karadzic to put a flame into the very volatile situation that is Bosnia as we know it.

I would also suggest that we continue with the arms embargo, and I would continue with the demilitarization process that has to occur in the former Yugoslavia, a very difficult situation to pursue.

I would say involvement of the European force is something that is long overdue, for the European community abrogated their responsibility in the first place in the former Yugoslavia. When they were given the mandate to try to defuse the situation, defuse the precursors to conflict that were there, they turned their back and stuck their head in the sand. It is high time they contribute to this initiative, contribute to IFOR by using the European force that is there.

Our contribution as a country to ensure that our commitment to European security is there and to ensure our allies in NATO realize we are also committed to security in Europe can be the involvement of our military through engineers, not combat troops, and can be the involvement of our civilian population NGOs through peace building initiatives on the ground. All we need to do is look at the Middle East to see that peace building must be done along economic lines as well.

On a broader scale, I would ask our Minister of Foreign Affairs to work with our Minister of National Defence at developing a long lasting, far–reaching Canadian foreign policy on how to prevent these conflicts from occurring in the first place. That involves identifying the precursors to conflict and working with international organizations to ensure there will be

a predictable, identifiable and concrete response to the precursors to conflict.

This conflict in the former Yugoslavia and many others around the world were entirely preventable. The writing on the wall in the former Yugoslavia was there in 1987, yet the world community chose to ignore it. If we had addressed that conflict then, we would not have seen the hundreds of thousands of people killed, the millions of people displaced and the profound human tragedy that none of us in this room can possibly comprehend.

We as a country can take a leadership role as one of the few countries in the world that has the international suasive power in the international community to encourage our neighbours to develop the broad peace building, peacemaking and conflict prevention framework that needs to be done.

Apart from using the United Nations, we can also use the international financial institutions as cheap non–military economic levers in conflict prevention, both as a form to dissuade potential groups from engaging in conflict and also to encourage groups to enter a road of peace rather than go down the road of war.

With the debate we have had today—and I thank the hon. members in the House for extending the debate—I hope we can make an effective contribution, not necessarily through our combat troops but toward the peace building initiatives we in Canada are so good at.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Madam Speaker, I sit in the House and listen and it reminds me of someone trying to walk down a razor blade afraid they will slip. I think that is what is happening with the party opposite. What does it understand by collective security? The person on the right is going to be there when they are called upon. There is a trust. There is a belief that one will deliver the goods. It is my belief the third party is really off its stick in this whole debate, trying to win friends on one side and trying to do something on the other side.

• (1930)

I want to know now, does the hon. member understand what the concept of collective security in NATO is?

Mr. Martin (Esquimalt—Juan de Fuca): Madam Speaker, we understand what collective security is. I made it very clear in my speech that peace in the former Yugoslavia must involve a number of routes. One is the use of combat troops.

As his colleague mentioned, our troops are having a difficult time because of a lack of equipment and the fact that they have been rotating quite frequently through the former Yugoslavia. They are very tired and they need a break.

Be that as as it may, Canada can make an effective contribution. One of the things I mentioned is through the use of military engineers we can contribute to the infrastructure development in Bosnia. If there is no infrastructure development in Bosnia, no economy to provide people with the means to get on their feet and provide themselves with their basic needs, they have all the seeds, the groundwork will remain for future conflicts to occur.

IFOR is just a stop gap measure. There is a pool of soldiers not being utilized right now, a pool of soldiers in the sphere of influence that Bosnia is in, the European Union force.

As I mentioned before, there are 50,000 troops. They are not being used anywhere and they are well equipped. What better place to have them teethe their techniques and drills than in the former Yugoslavia, in Bosnia right now? They can do it under a controlled setting under the guise and leadership of proven soldiers who are there right now, the Americans, the French and the British. They could learn the techniques and the tools to be an effective peacemaking, peace building and peacekeeping force.

In the future I hope the European Union force can take the leadership role in trying to ensure that IFOR maintains its mandate, that we can continue to ensure that Bosnia does not have short term peace but enjoys a long term peace and that it does not descend into the caldron of brutality it has been for the last five years.

We need to contribute to this. We can involve civilian populations in the peacemaking process in the former Yugoslavia. There are number of options there as I mentioned in my speech.

Mr. Ron MacDonald (Dartmouth, Lib.): Madam Speaker, I have engaged this member in debate in the past. He is usually rather unequivocal with his position.

I ask him to be unequivocal. The member heard me indicate my support and I could not make it any clearer. I am concerned about whether the Canadian Armed Forces generally has the resources given to it through the budgetary process to have the best equipment possible to do the job we ask of it.

I ask the member opposite a question concerning himself individually. Forget his party. He knows the comments I have made about his party and its position. Does he support the Canadian Armed Forces participating in IFOR? It is either yes or no.

Perhaps the member thinks this is the forum in which we debate exactly every detail the Canadian forces are to do over there. The member should know those details will be worked out with their colleagues who are putting together this collective force.

With or without qualifications, does he support it? Yes or no.

Mr. Martin (Esquimalt—Juan de Fuca): Madam Speaker, if we had more details on Canadian troop requirements in the former Yugoslavia we would be able to make a more equivocal statement.

The contribution Canada can make toward the peace process in Bosnia is to use perhaps our military engineers toward infrastructure development but not use our combat troops in IFOR at the present time.

• (1935)

I hope that is very clear: do not use our combat troops under IFOR but contribute toward European security, contribute toward participating with our allies in building peace within Bosnia through non–military methods, through the use of our engineers, through peace building initiatives, through our non–combat troops in the military and also through non–military groups we have in Canada, NGOs, civilian groups and the like.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I am pleased to share my thoughts about Canada's peacekeeping role in Bosnia this evening. I begin by giving a vote of thanks to our Canadian troops.

Despite the bad press they have received because of a few bad apples and a few incidents in the past few years with people who are not worthy to be called Canadian soldiers, despite the miserable state of the leadership at national defence and the wholly inadequate response to leadership deficiencies on the part of this government, and even though our forces have not always been properly backed up by this government, I commend the fortitude, the restraint and the professionalism shown by our military personnel in the field. The quality of our peacekeeping has never been more restrained or to be admired more than in Bosnia. We are recognized the world over for our contributions there to date.

Canadians have an unparalleled reputation for even handedness and compassion in other areas of the world as well. A Canadian working for World Vision in Rwanda and Somalia who had daily contact with our troops had nothing but praise for them. He told us that our personnel consistently went above and beyond the call of duty in service to other Canadians as well as to the people native to the area. That is a typical comment.

However, there are a number of defence reports circulating that show a serious morale problem in the forces because of the rapid and successive deployments in Croatia and Bosnia. Some soldiers have seen three or four tours of duty in a row and are becoming exhausted. Still, they are professionals and I expect they will return to the field once again without hesitation if they are asked to serve.

The question we address tonight is should they be asked in the first place? Nowhere is it more appropriate that the questions be asked than in the House. I remind the Canadian people that the Prime Minister and the minister of defence have already made the decision to send the troops, which renders the House of Commons almost irrelevant in this debate. All we as members can do is stand up here and voice our frustrations. It was obvious in that last exchange between members on government side and this side when they said "support us, we do not know if we have the troops or the supplies or the necessary equipment. Just support it". It is very frustrating.

Members of Parliament are denied any meaningful input which is contrary to the recommendation of the special joint committee's defence review last year which said: "The government should not commit our forces to service abroad without a full parliamentary debate and accounting for that decision. It is our expectation that, except in extraordinary circumstances, such a debate would always take place prior to any such deployment".

In other words, before the decision is made we should be debating it in advance. So much for the recommendations of that special joint committee.

Earlier this year the House considered my private member's Bill C–295, the peacekeeping bill, which would have placed reasonable limits on Canada's peacekeeping role. The bill would have required Parliament to approve participation in the mission, a mission such as we are discussing tonight. It would have required the government to offer the House an estimate of the mission's cost, its duration and the role of the Canadian troops before committing to it. These are the exact questions Canadians are asking today, and the government is not offering adequate answers. I am not going to sign a blank cheque or approve a blank cheque because those questions have not been answered.

I point out a few important things, especially to the people back home at CFB Chilliwack in my riding. The first is obvious. This is not a UN mission. This is a NATO mission and NATO is not intended to be a peacekeeping body. It is a joint force originally designed and meant to defend Europe in the face of aggression. We are a part of that. We understand that concept of collective security.

However, the quality of this mission is not a normal peacekeeping mission. We need to know that up front. It is a NATO led enforcement mission, not the kind that Canada usually participates in under the authority of the United Nations. The Minister of National Defence has already said this mission would be a fully armed, sharp point combat role in which NATO forces would be able to fire first and to respond to any attack with overwhelming force. Previous American leadership has said this force would be meaner than a junkyard dog. This is not a peacekeeping force.

• (1940)

Given also the warlike tone of some of the Bosnian leaders who have already repudiated the Dayton treaty signed in Ohio, I think we can expect some difficult combat action. Canadians are understandably uncomfortable with this role when they are not defending their own soil.

They ask questions such as are we willing to accept an escalation of our role in Bosnia? Do we have the equipment to equip our forces properly? Are we willing to raise the stakes even further with the risk of having our Canadian soldiers shot or blown up by land mines or humiliated and held hostage by people intent on destroying the peace? I have already attended one funeral in my riding of a Canadian soldier who served in Bosnia. I can understand their concern about this escalation in the role.

We hear that NATO may also be involved in rearming Bosnia. People ask if Canada should be a part of this where it takes sides and helps to arm different factions in a war, where it helps pick the winners and losers. In some people's minds this provokes rather than reduces hostilities. Canada has invested too much in its international reputation for peace to jeopardize its neutrality now by enmeshing itself in conflicts as one of the antagonists.

We also have no idea what the goal of this mission is. We do in broad terms but NATO says it hopes to stabilize the situation within a year, then throw the hot potato to somebody else, an unknown, unnamed entity with the power to keep the antagonists apart. Who would that be? No one knows for sure but it seems to me if history is any teacher we are likely to see NATO forces there indefinitely.

Because this upcoming year is an election year in the U.S. there will be intense pressure for the Americans to pull up stakes and return home after that year is up. Then someone will have to stay behind and keep the peace. Who? I talked to a senior member of the armed forces on the weekend back home. He said that when he went to Cyprus 30 years ago it was supposed to be a one–year mission. We all know what happened there. We were there for 30 years and we do not want to see that happen again.

Not only that but as part of the bigger picture Canada is also on record saying we want to give some of our forces to a standing permanent rapid reaction force, virtually a standing army, to the United Nations. I realize this is a separate issue but if that were to come about it would surrender more of our troops outside of Canadian led combat forces.

I wonder sometimes where the leadership of our country is taking us. I am not sure it understands that we do not have an infinite amount of troops to give to either the UN or to NATO while trying to keep our other jobs properly equipped and manned.

The cost of this mission? In the last three years we spent $800 million in the former Yugoslavia. In the next year we would expect to spend another $200 million, but that is just speculation because the government will not give us the figures. We have asked it to give us the figures, the cost, the role and so on, but it will not give us any of that. It is interesting that if we commit more troops to NATO we will have fewer troops to commit to any UN led force in years to come, and there are bound to be more demands on that as well.

I reiterate the idea of a colleague from the Reform Party. We could arguably and persuasively say Canada has some obligation to serve with NATO but Canada need not take an active combat role. We could have a support role either with the engineers, as was mentioned earlier, with providing field services, supply services, an intelligence network and so on. There are things we could do outside the combat role.

To be heavily involved in combat, to be rearming some portions of the population and not others, to be acting outside our traditional UN mandate is a huge step when I do not see the end result the government is trying to work toward. Without an effective national debate we are about to launch an armed forces, exhausted and low in morale for the reasons I mentioned earlier, into a dangerous high risk combat mission without goals, without timetables, without cost estimates and perhaps even without the proper equipment. Is this wise?

It is said that discretion is the better part of valour, and our national leaders will show their discretion in this situation by declining combat participation in this venture.

• (1945)

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, in a more cynical and uncaring age than our own, Bismarck once quipped that the Balkan conflicts were not worth the bones of a single Prussian Grenadier.

In depositions I gave to the committee on foreign affairs of the United States House of Representatives on August 12, 1992 and August 3, 1993—and these are entered and published in the congressional record of those two dates—I recommended that with the pending break–up of the Federal Republic of Yugoslavia, which was first put together as part of the World War I victors' peace settlement, it would be wise to go back to the original Versailles treaties of 1919 and specifically the treaty of St. Germain–en–Laye which created Yugoslavia to achieve a peaceful, orderly succession and avoid loss of life and hardship to the civilian population of the region.

Now, three years and 250,000 civilian deaths later, we seem to be reaching the same result as might have been obtained under the orderly international law processes envisaged by the Versailles treaties, including resort to the compulsory jurisdiction

of the World Court afforded by the treaty in case of impasse on territorial frontiers.

Our foreign minister and later Prime Minister, Lester Pearson, fathered the concept of United Nations peacekeeping. We have since come of age in our experience with UN problem solving in the former Yugoslavia with the mission in the Bosnia–Hercegovina region being quickly transformed from classical UN peacekeeping, which is simply physically keeping apart warring rivals who have already accepted a military ceasefire, and this involving chapter VI of the charter, Pacific settlement of disputes, the transformation into the new concept of an activist peacekeeping role involving chapter VII of the charter.

Having gone so far, Canada has become part of the continuing post–communist succession problem in Yugoslavia and should stay the course.

There are, however, steps that can be taken to offset or reduce the dangers of our continuance in the new NATO based phase of the operation and to ensure that decisions taken are compatible with and protected by international law and also rational in the political and larger geopolitical sense.

First, it should be recognized that NATO as a regional security arrangement falling within chapter VIII of the United Nations charter, derives its international law authority from the United Nations charter and cannot go beyond that. Issues such as the right of self–defence and its present day practice can be updated or redefined in contemporary international law terms by the security council and also the general assembly as glosses on classical doctrine, and jurisprudence, as the 1992 decision of the International Court of Justice in the Lockerbie case confirmed.

NATO, however, has no power to dispense from existing international law norms, and NATO commanders and their political governors would act at legal peril if they did not refer back to the security council and general assembly when new political facts challenging the political–military settlement now reached might emerge.

One such potential problem obviously concerns future relations of the two main constituent parts of the new Bosnian entity: the Croat–Muslim Bosnian Republic and the Serbian–Bosnian Republic, their relations to their adjoining mother states, Croatia and rump Yugoslavia which is Serbia–Montenegro.

The current political military settlement has an element of historical transition inherent in it and irredentist pressures for ultimate junction with the adjoining mother states can be expected.

It would be an error for NATO to view such matters, if they should arise, as purely military in character and proper for a NATO military decision alone. Political common sense and prudence counsel following what international law in any case enjoins, namely referring the high political issues back to the security council and general assembly for definitive ruling.

Likewise whatever dispositions the NATO high command might wish to make, the military decisions of NATO are referable back to the United Nations for their ultimate sanction and justification under international law.

In adhering to the new NATO force for Bosnia, the Canadian government might perhaps attach appropriate reservations confirming the primacy, as to Canadian forces, of the United Nations over its regional security organizations authorized under chapter VIII of the United Nations charter.

• (1950)

This being understood, we can and should support Canada's continued participation in the Bosnian peace process that after four long winters seems at last to be opening up the prospect of the rule of law and peace and elemental security for the inhabitants of that historically troubled region.

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, it is a privilege to rise in the House this evening to debate the issue of whether we should once again send troops into the Balkan theatre to aid that area in implementing the peace initiative which has recently been achieved at Dayton, Ohio.

The first question we have to ask ourselves is whether Canadian troops should go back. Should we be sending our troops back to this area where they have already performed with such skill, with such professionalism and have brought such pride to Canadians by the contribution they have made in the humanitarian rescue of unfortunate people in that region?

Our troops have made tremendous contributions in that area. Many members of the Reform Party have taken the position that they have done enough. Let us cease our contribution. Let us stop there.

As many other Canadians do, I might subscribe to that point of view myself if things had not changed. Things have changed enormously in the last couple of months. There has been a dramatic change in the conditions under which that whole region is presently evolving.

We have heard described in this House the conditions of the Dayton, Ohio peace agreement which has been achieved. There is no reason for me to go over the conditions and the parameters of that agreement.

It is not a perfect agreement, but the Serbian government of Mr. Milosevic is committed to it. There will be problems in Sarajevo. There will be problems in other areas but the Serbian government is committed to the agreement and various other governments in the area are committed to it. It is clear that without some form of active intervention from outside forces to

make that peace treaty work there will be no opportunity or no possibility of peace being established in the region.

We must ask ourselves the question, should we intervene at this time and give peace a chance? Should we listen to what Mr. Clinton said on television the other night when he laid out the reasons why for the first time he is prepared to commit United States' troops to this grand enterprise?

Should we recognize the tremendous contribution the United States has made and is making to this and the difference that will make? Should we then take these risks, for risks there will be? There are always risks in any enterprise worth the game.

It seems to me this is an enterprise in which we can balance the risks with the reasonable certainty of a better opportunity to ensure peace than we could have before. Take, for example, the position of the security of our troops, a matter referred to at great length by members from the third party.

It seems to me that the security of our troops in the present circumstances is far superior to what it was before. When we were debating this matter before, the members of the third party were constantly saying we should not be putting our troops in harm's way. They have no opportunity of defending themselves. They are in this awful position where they can be taken hostage, they cannot defend themselves, they have been put in an impossible position.

We are going to send them back equipped. We are sending them back with a force of the United States of America, 20,000 troops of the most important army in the world, with the most sophisticated weaponry in the world and with the authority to take defensive measures if they are attacked.

In my view, they are in a far better position than they ever were before. I am far more at ease as a parliamentarian to know that our troops will be going in those circumstances rather than where they were before.

If they were being asked to go back and produce in the conditions they were in before I would agree they should not go back but these are not the same conditions. They are not so inconsistent.

• (1955)

Look at what the local countries around are dealing with, the determination of Croatia and Serbia. There is a contribution from all countries in the area. We can now be assured the risk of this war spilling over can be eliminated.

It makes sense to send our troops back under these circumstances. This confirms our overall policy objectives in this area and all other areas, which are to provide effective humanitarian aid and to assure the evolution of multilateral peacekeeping which directly fulfils the need for security and peace in the world. The joint foreign policy review by the Senate and House of Commons laid great emphasis on the need for Canada's participation in multilateral peacekeeping because that is the future of the world. That is where Canada can make a contribution that is needed.

Finally, it corresponds to our commitment to the human rights of the people in these areas. There can be no human rights without peace, security and stability. Without that the talk about human rights is empty talk. This gives us an opportunity to contribute to the establishment of human rights in this area.

We have made these contributions before. We have not just contributed armed forces in this area. We have contributed mounted police who on a day to day policing mission gave stability and proper peace and security to small neighbourhoods to ensure that individuals could get some opportunity for justice and fair treatment.

Our non–governmental organizations have provided food aid, resettled people, provided an opportunity for people to try to get their lives back together. This can only be accomplished in an area where peace has been established and where there is some form of security guaranteed by troops. It is our troops that will be doing that.

I feel we must support this initiative. We must urge the government to be part of any comprehensive scheme in which our NATO allies are participating and in which we can make an important contribution. It corresponds to our interests in establishing peace in the region. It creates credibility for the multilateral peacekeeping process, an important contribution Canada can make to the world today.

[*Translation*]

In conclusion, I would like to say that this initiative is in keeping with Canadian interests and values. It is in our interest, because we have an interest in peace and in humanitarian aid, and we can be proud of what we have already done and what we will be doing in this area. It is in keeping with our values, because our values are those of a society that is fair, equitable and peaceful.

We want to contribute to a world where these values prevail in place of those of war and aggression. It is, moreover, our duty to take part in this initiative. Chances are good this initiative will succeed and that we will make a significant contribution to its success. I am very proud to speak in favour of this government initiative.

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I would like to thank the hon. member for his remarks. I know he is very well informed. As chair of the foreign affairs committee, he is in the loop. He knows all the inside stories.

I know he thinks the third party is somehow not in favour of sending troops overseas or some such thing, but if he could just grab the nub of the argument. He says the troops will be in much better shape this time when we send them over because they will be so much better equipped to defend themselves in the case of aggression. I hope that is true. I have been calling for that since the last time I saw one of our guys chained to chain link fence. I wanted them to be better equipped and have the ability to defend themselves.

• (2000)

Can the member not understand that is the problem? He says, and maybe he knows because he is part of the inside circle, that we are going to have better equipment, a better opportunity to defend ourselves and so on. What we are asking is that we merely be told what we are going to do when we get there. What are we going to send? Are we going to send 20 F–18s? Are we going to send tanks? We do not have tanks so I guess it is not tanks. Are we going to strap Eaton's catalogues around our guts to try to keep them from being blown up? What are we going to do?

We are just asking for a list of what it is we are sending over there so we know that our troops will be well looked after. That is all we are asking. If the member knows something more than what is in this motion and he can tell us, then maybe we would vote in favour of it. Saying that we hope the guys get over there and tying a Canadian flag to the end of a World War II musket in the hopes they do not get their guts blown out is not good enough. We need some more assurance before we start sending our guys over there.

If the government wants to assure us, just tell us what equipment we are going to send over. It is not going to be tanks because we do not have tanks. Is it going to be submarines?

Mr. Hill (Prince George—Peace River): We don't have any of them.

Mr. Strahl: We do not have submarines. What is it going to be? Why is the government so assured that we are going to be able to look after ourselves? If the government could just tell us what we are sending. We are sending an unknown number of people over there for an unknown duration at an unknown cost with unknown equipment to do an uncertain role with an unknown resolution at the end of it and we are supposed to say it sounds good to us? I think not.

If the government could just tell us what we are doing then maybe we could vote with it.

Mr. Graham: Madam Speaker, it is easy to have a reductio ad absurdum on these sorts of arguments. Is the hon. member seriously suggesting that we are going to parachute our troops in unarmed, that we are going to drop them in with absolutely no equipment? This is an absolutely ridiculous argument.

It reminds me of exactly what the Bloc Quebecois members were saying this afternoon. They were saying: "We agree we should be participating. We accept that we have an obligation to do this. We accept that we should be there, but we do not like the fact that the Prime Minister has not talked to Mr. Clinton first", or something like that. Reasons can always be found.

What are we talking about here? We are talking about participating in a NATO enterprise. It is going to be absolutely secured by a great deal of superior American firepower, troops and armour and we will be able to play an important supporting role.

I do not think it is up to us in this House to try and second guess the generals, to second guess exactly what is going to be on the ground. Are there going to be three tanks, two troop carriers, four submachine guns? That is not the role of members of Parliament.

Members of Parliament know we have armed services that are equipped to do the job they will be asked to do. We know they are not being sent over there with a bunch of Eaton's catalogues strapped around them. We know they are going there in an enormous, complicated enterprise with NATO troops and with allies who, all pulling together, will be able to achieve this extraordinary enterprise.

To suggest that they are somehow being dropped in there without proper equipment and preparation is irresponsible. In my view it totally ignores what we have been able to achieve so far. It totally ignores the quality of our armed services.

As a member of this House, I do not expect the government to give me a shopping list of every platoon and every weapon that is going. What I expect is a principled decision based on a common sense approach and an understanding of the strategic and military necessities. My understanding from listening to the Minister of Defence this morning in opening this debate and from listening to what the Prime Minister has said to date, is that we have that understanding. Let us go with it. Let us not quibble and constantly raise these quibbling concerns which are really just an excuse to try and get out of what our duty calls us to do.

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, I have a quick rebuttal to the earlier speaker. I do not think these are quibbling concerns. These are life and death concerns. We have been raising questions here all day and getting absolute nonsense for answers, when we get any answers at all.

I would like to thank hon. members of the House for agreeing to the extension of the debate. It allows those of us who did not have the opportunity earlier to speak on this issue this evening.

• (2005)

As we debate a renewed commitment of troops to Bosnia, I find myself with many more questions than answers. My colleagues have already raised this concern. How can we have a meaningful debate if the government cannot decide or will not tell us how many troops it will send, what their job will be and under what conditions we will bring them home? But what is new? The government has not had any criteria for three years. Why should I be surprised and expect it to change?

Apparently NATO is expecting at least 1,200 to 1,500 Canadian troops. According to reports, this is more than Germany or Turkey are each committing. The former Yugoslavia is almost on their doorstep yet Canada is supposed to commit more human and financial resources to this effort than they are. Why?

It is far more expensive to maintain our troops across the Atlantic than it would be for a neighbouring NATO ally, I would submit. Has Canada or more important, our soldiers, not already demonstrated a commitment to the peace process in the former Yugoslavia? Canadians spent three years and 10 lives in Bosnia. Unlike what the earlier speaker said, I do not believe it means that Reformers are saying we have already done enough. That is not what we are saying. I have not heard that here at all today. It is time some of our other NATO allies bore their share of the burden, however. As history has shown, achieving sustainable peace in the Balkans is critical to European security.

I commend the Canadian soldiers who already served in the former Yugoslavia. They performed professionally and beyond any reasonable expectation, given an unclear mandate and extremely adverse conditions. They were sent as peacekeepers before there was any peace to keep. They were sent into a war zone inadequately equipped and lightly armed. They protected civilian populations in so–called neutral zones when the parties to the conflict did not abide by the rules.

Despite questionable command structure, poor supplies, low morale and an indecisive government back home with no plan to get them out when the situation took a turn for the worse, despite all of this, they did their jobs. They delivered humanitarian supplies and kept thousands of women, children and non–combatants safe in the middle of a war.

The reason they were sent in the first place was not to keep the peace, for the belligerents were still at war. It was so the government of the day could tell the world that Canada was ready to participate anytime, anywhere, as long as it was called a peacekeeping mission.

There was good reason many NATO allies were not there before. There was no peace accord, but Canada was there. Sadly, it seems that political pride in our peacekeeping tradition takes precedence over the safety of our troops. If someone labels it a peacekeeping mission, they know we will come running. Our soldiers deserve more from us than this lapdog mentality. Let us make sure we are going back for the right reasons, for reasons that Canada defines.

We are justifiably proud of the Canadian men and women who have served as peacekeepers over the years. When they lay their lives on the line, they must know that political leadership has done everything in its power to ensure they are given the best chance for survival.

They have a right to expect some things from their government. We have a solemn responsibility to consider their safety above all else. If we make a political decision to participate, it is their duty to carry it out no matter what the military assessment. They cannot say no. They have to obey orders. Even the generals cannot object after a political decision has been made. It is our duty to ensure we have done everything politically possible to define the parameters and create the conditions for a safe peacekeeping mission before we commit Canadian lives to a war zone.

Make no mistake. Bosnia is still a war zone. Canadian blood should not be shed because our political leadership refuses to take reasonable precautions. Our soldiers are sworn to defend Canada, not to defend the vanity of politicians who want to preserve a reputation at the UN, no matter what the cost in Canadian lives.

I recognize there is a fine line here. The only way we could completely protect our troops is by never sending them anywhere. However, we have commitments to our NATO allies. We have international humanitarian commitments. We must balance these obligations against our troops' welfare. This decision is not about protecting Canada. It is an optional engagement.

The Prime Minister has committed us to the new NATO force before the peace accord has even been signed. Will this time be different from the last time? There is not even a pretence that the implementation force is on a humanitarian mission. There are other roles to fill in the former Yugoslavia. We can hold our heads high if we engage solely in humanitarian activities, as some of my colleagues have indicated.

• (2010)

Why are we having this debate if the decision has already been made? How can we have a meaningful debate when we are told that we might be sending 20 troops or we might be sending 2,500? The Department of National Defence is not sure.

Members opposite have been chastising Reformers throughout the day for not supporting our peacekeepers. We are not talking about supporting peacekeepers. We are being asked to buy a pig in a poke and we are not going to buy into it.

We may be there for 12 months. Maybe it will turn into another Cyprus. It looks like the government has written a blank cheque to NATO. This is a political decision for prestige within

NATO and to show solidarity. It is nothing more and nothing less.

What of the soldiers? Before I could advocate sending Canadian troops back to Bosnia I would want more assurances that we have done our job to ensure their safety. Yes, they are soldiers and they would willingly lay down their lives in defence of Canada, but they should not be asked to do it for a political whim.

I have a few questions which the Prime Minister and his defence staff have not answered.

Is there a well defined Canadian mandate? NATO wants to stabilize the situation within 12 months and then pull out. However, the Prime Minister said that we should be prepared to stay there longer. That is unacceptable. If we are going in, it should be for a set period, after which we can assess the situation with a full debate. All the facts should be revealed to the Canadian public, for the army belongs to them, not to the current political party. It is their sons and daughters we are talking about. If we do not have a time frame for withdrawal, how do we know if we have achieved our objectives? Canada must establish its own criteria for participation, not just use NATO's.

Will the Prime Minister make a commitment to hold a comprehensive military and political review after 10 months so our troops will know what to expect by the end of the year? Uncertainty will only exacerbate morale problems. Over the past three years the government has unilaterally extended our commitment without listening to Parliament or consulting the Canadian people. Let us not do it again.

Can the Prime Minister assure us that our soldiers will be better equipped than the last time they went to Bosnia? They are the best trained troops in the world, but there is a limit to improvisation. If we are going to send them back into a potential war zone they deserve the best equipment we can afford. With cuts at DND and outdated personnel carriers, is this realistic?

Can the Prime Minister assure us that Canadian soldiers will be under Canadian command? No one seems to know the answer to that question. We cannot afford another Gallipoli or Dieppe. It should be a precondition for our participation.

Canadian peacekeepers are trained to clear up misunderstandings before they escalate into open conflict. I have grave concerns that the same cannot be said for everyone else in the 60,000 strong occupation force. If civilians are antagonized by inexperienced peacekeepers, will this increase the risk to our Canadian soldiers?

The parliamentary secretary asked for some recommendations. I have one for him. He noted that assistance to refugees and humanitarian assistance is a secondary priority. I believe it should be Canada's top priority. I believe we should focus our involvement on technical, logistical and human support. Yes, we have commitments to our NATO allies, but we have an even greater moral obligation to our troops.

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, I commend the hon. member for Prince George—Peace River for beginning his remarks by stating that we have to achieve a proper balance between the need for the security of our troops and what we are trying to achieve. I regret that he then promptly descended into political rhetoric which suggested that all of this was being done for the sake of political vanity and the whims of politicians. Does the member not agree this is a changed situation? Will he not admit this is an extraordinary opportunity?

• (2015)

Three months ago in that theatre we looked at the possibility of that war extending itself outside those borders, of hundreds of thousands of displaced people, thousands of men, women and children losing their lives, with a terrible winter coming on with no prospect of success. Suddenly we have a prospect of peace, which requires to make it work the contribution of the world community to get in there, pull the parties apart and make it work. Surely that is worth some risk. Surely that is worth our participating in. Why is that a whim? Why is that some irresponsible craziness on behalf of people to want to see that?

Is Mr. Clinton being whimsical and foolish to commit 20,000 United States troops to this enterprise? Are the British and the French a bunch of whimsical idiots to be doing this? Why are we suddenly portrayed as people who have just vanity instead of people who are recognizing we have a global responsibility to peacekeeping and humanitarian aid, which we have been doing in this country for generations now? This is an opportunity to make an important contribution. To be pulling up all these objections at this time and to be accusing people of engaging troops because of some form of whimsical vanity strikes me as not only irresponsible, it is absolute foolishness. It is wind and wind and wind.

Mr. Hill (Prince George—Peace River): Madam Speaker, I will leave it up to the audience watching at home tonight on their televisions to decide who is full of wind and wind and wind after that outburst by the hon. member.

I would say that it is whimsical on the part of our government. Certainly Mr. Clinton is not. He is sending his troops over there with the best equipment in the world. What are we sending our troops with?

We have been raising these concerns on this side of the House for two years. The Reform Party has raised these issues time and time again about inadequately equipping our troops. We ask the same questions today. The hon. member was just asked that question and he evaded the answer again. We are asking because

we are concerned about the safety of our troops, and we get absolute nonsense. I for one am sick and tired of it.

Mr. Leon E. Benoit (Vegreville, Ref.): Madam Speaker, today we are debating the merits of sending our troops back to Bosnia, not for another peacekeeping mission but for what can be called a peace enforcement mission. Should Canada send troops as part of a NATO mission in an attempt to stabilize the area referred to as the former Yugoslavia? That is the question.

Our first thought should be of the peacekeepers. All too often they become faceless, nameless individuals who are sent overseas to keep a fragile peace. Well they are not faceless and nameless people to me. I have met several of the peacekeepers and many of their families. I know the role of peacekeeper takes its toll on the individuals and their families. The amount of stress is something I can only imagine.

I admire the men and women who have represented Canada in peacekeeping missions and sometimes in peacemaking missions. We have some of the best peacekeepers in the world. They have done a superb job in the face of adversity. They have been forced to make do with less than adequate equipment. Canadian troops have a long tradition of improvising and making do with outdated and unsuitable equipment for the job that must be done. Our troops carry out this tradition with a considerable and justifiable pride. They successfully refit, modify and repair equipment others would abandon in despair. While our personnel take pride in making do with unsuitable equipment, it is also a source of stress and frustration for the peacekeepers and their families. Our troops should not be sent into tense situations like this without the best equipment available.

Our troops are also forced to endure less than adequate leadership at the top. The leadership crisis in DND negatively affects troops. The Somalia affair has clearly exposed this. I do not believe we should be deploying more troops until the leadership crisis is sorted out.

In addition, memos from DND tell us of a morale crisis. The memos explain that the burden of rapid and prolonged deployment is one of the primary causes. The succession of deployment of our military personnel has led to their exhaustion. Some soldiers have seen three or four tours of duty in Croatia or Bosnia. This contributes to low morale of forces and their families. Stress levels are at an all time high, resulting in family breakdowns, alcohol consumption, untimely depression, attempted suicide and even suicide.

• (2020)

Recommendations have been made to balance the tours with adequate time at home. Yet the government fails to take into account the well-being of Canadian troops when the international peacekeeping agreements are made. The troops deserve better treatment from this government and from the upper layers of leadership within the forces.

It is important to ask why this is merely a take note debate. This mission to Bosnia involves Canadian lives. Why has the government refused to bring this issue before the House for a free vote? I do not mean a free vote as the Prime Minister envisions a free vote. The Prime Minister's idea of a free vote is to instruct Liberal MPs to vote any way they wish as long as they vote exactly the way he tells them to vote. I do not see that as a free vote, not in my interpretation of a free vote. Why not have a free vote where members vote according to the majority view of their constituents?

This debate is a sham, because I am sure the decision of whether or not to deploy troops has already been made. Therefore, expressing my misgivings or support for this venture is of little importance to this government. In fact our comments will have little or no impact on this mission and whether it goes ahead. However, I hope we can influence future troop deployments for peacekeeping or peace enforcement missions.

Regarding this mission, the timeframe for the NATO involvement has been given as 12 months. Following the expiry of the 12 months, NATO intends to withdraw from the area and transfer authority to another body. There are some obvious questions from this vague description of what might or will happen. What happens after 12 months? If authority is to be transferred to another body after 12 months, what body? If that body is not capable of doing the job, are the NATO troops to be kept there indefinitely?

The Prime Minister has said that if we truly want peace we should be prepared to stay as long as necessary. Is he willing to keep troops in Bosnia after the 12-month mandate? The answer seems to be yes. Then for how long?

We also know very little about the mission itself. How much will the mission cost? How many troops will be deployed? What roles are Canadians expected to fill? We do not know the answers to these questions because the government will not give us the information. How are we supposed to debate this issue without all the facts?

As far as the costs are concerned, the department has stated in a briefing that the incremental costs could be somewhere between $2 million and $75 million. That is unbelievable. A normal estimate may allow 10 per cent or 15 per cent of a range in giving the estimate. This Liberal estimate has a range of 3,800 per cent. That is the Liberal range. This figure, in addition to being vague, only refers to the defence department costs. What about incremental costs incurred by the Department of Foreign Affairs? Is there a ceiling to the cost? If so, what is the ceiling?

The fact that we know very little about the details of this mission concerns me. Indeed, the media seem to know more than parliamentarians, as shown by the leaked document from the U.S. that indicates Canada's expected troop commitment lies between 1,200 and 1,500 troops. Why has the government chosen to keep information from parliamentarians and Canadians? Again it shows this debate is a complete sham.

• (2025)

Many of the problems I have outlined in my speech could be alleviated if our military had a clear mandate. First we need to define Canada's military role, and it should be up to Canadians to decide what this role should be. After appropriate debate through public meetings and through the media, Canadians should decide what functions they want DND to carry out. Then the decisions on how these functions can be performed should be made by the appropriate people within the forces with as little political interference as possible. If the military is splintered by playing too many roles, this diminishes the effectiveness with which it can accomplish its tasks.

I believe Canadians, if given all the facts, could and should make the decision as to what the mandate of our military should be. For example, should the military play a defensive role; that is, should it defend Canada against invasion? Should the military play a peacekeeping role? Should the number of military reserves be increased? Should it include a search and rescue function? Should it be used in situations of civil unrest—for example, native standoffs, organized crime revolts, or unilateral declaration of independence from one part of the country and possible disruptions resulting from such a secession?

We know the first option is not the most practical because we do not have the troops or the money to perform that role. Canada has come to depend on the United States and perhaps NATO for protection against invasion.

Whatever role Canadians decide they want our forces to play, two things are clear: our troops deserve the best training they can get, and our troops deserve to be the best equipped for the job they are to do.

In conclusion, we cannot afford to make decisions affecting Canadians' lives by the seat of our pants. I cannot support this deployment, given all the questions, the lack of information and the lack of answers.

The government is playing fast and loose with the facts. These facts affect Canadian peacekeepers and their lives. Reform refuses to—

The Acting Speaker (Mrs. Maheu): I am sorry, your time has expired.

Mr. John Maloney (Erie, Lib.): Madam Speaker, peacekeeping is one of the strongest and most enduring traditions of Canada's foreign and defence policy. Canada is justifiably proud of its distinctive record in preserving world peace and fostering global security. In fact we are the only country that can claim to have participated in almost every peacekeeping mission organized under auspices of the United Nations.

Canada's peacekeeping commitments command the respect and admiration of the world community, a commitment that we parliamentarians are examining once again under the issue of a renewed participation in the peacekeeping force in Bosnia, as we should and as is our responsibility.

Canada has taken a leading role in the efforts to bring about a peaceful end to the conflict in the Balkans. Canada was among the first countries to call for a concerted international action and Canadian forces have served with distinction since 1991. Let us not ignore that their participation was at considerable cost to Canada. Indeed, 10 Canadians were killed on this assignment. Let us examine this request for a further commitment very carefully.

Incredibly, the warring factions in Bosnia made a peace agreement a few short weeks ago. Requests for assistance to provide a stable forum for this peace initiative to mature and grow have been made. Our values of peace, freedom and democracy and our aversion to intolerance, terrorism and destruction cry out for our participation. Canadians do not simply stand for these ideals; they act on them and sacrifice for them.

Fifty years have elapsed since the end of the second world war, the war to end all wars. What have we learned? I wonder.

• (2030)

Over the last four years unthinkable horrors we thought were banished forever have been seared into our minds once again: the degradation of skeletal prisoners caged behind barbed wire fences; senseless murders of defenceless women and children; cowardly killings of men and boys in mass graves; ethnic cleansing; sickening destruction and obliteration of homes, of neighbourhoods, of entire communities where playgrounds and marketplaces became war zones; endless lines of refugees stumbling in misery and despair. The picture is not pleasant.

Our veterans of two world wars fought and too many gave their lives to guard against such atrocities. Can we now do nothing less?

The Muslims, Croats and Serbs have miraculously hammered out a peace settlement to put down their arms, to seek out and prosecute war criminals, to protect human rights, to build for the future peace and democracy.

They have asked for assistance, for our confidence and support to implement the Dayton peace agreement. Should we

participate in peacekeeping forces that will facilitate their efforts? The only conceivable response is yes.

Canada was a founding member of and a continuing major contributor to NATO. When a situation becomes difficult Canadians do not renege on their responsibilities. Canadians do not turn their backs on their allies. Canadians stand up and are counted.

Canadian forces are familiar with the geographical terrain of Bosnia. They know the people, their culture and their differences. Canadian forces are well trained and competent. They are not only well suited, they are ideally suited for this deployment.

It is also interesting to note that to date 19 non–NATO countries including Russia have also indicated a willingness to participate. These countries share our goals. We must also share their burden. These countries realize that peace and stability in Europe are essential for world security.

Bosnia lies nestled in the middle of a diverse European continent, in close proximity to some of the fragile democracies of the former iron curtain countries. Stability must come to this region to ensure the flames of war and all the devastation they bring do not lick beyond the Bosnian border. Let us not forget the spark from the Balkans that ignited the first world war. Let us not forget this lesson from history. We have seen Europe in flames. Never again.

The stability provided by the NATO presence will allow civilian agencies from around the world to commence programs of humanitarian relief and reconstruction, to provide food, shelter, clothing and medicine, to reconstruct roads, schools and hospitals, to reunite families, to heal the wounds of war, to allow the people of Bosnia to pull themselves from the past and to build for a future in peace.

There will be considerable cost and expenses associated with this military exercise; this in an era of necessary fiscal restraint and deficit reduction. Responsible Canadians are prepared to pay this price. They are aware of the quarter of a million men, women and children who have been shelled, shot and tortured to death and the campaigns of rape and ethnic cleansing. They are well aware of the price of failure of this peace accord.

Let there be no mistake, deployment of Canadian troops is not without risk and may very well involve casualties. Every effort will be made to minimize such risks but we must be prepared nonetheless.

One of the most difficult decisions the government has been called on to make is to place the volunteer men and women of our armed forces in situations of potential danger in far off lands when the values of our nation require it.

I urge the government to join this partnership of peace. Let us stand and be counted in this period of crisis once again. Let us stand for peace and freedom. Very simply, it is the right thing to do.

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, given the nature and the make–up of Canada, there are people living in Canada who come from all over the world. Any time there is strife somebody in Canada has ties to that locale. When there is strife and war there are Canadians who feel it very deeply. Perhaps that is one of the reasons why we have evolved to such an extent into a peacekeeping nation.

• (2035)

If we look at it in an historical context, over the last 50 years peacekeeping has emerged as one of the most important activities of the international community in promoting peace and stability. Peacekeepers have served in regions throughout the world laying the basis for peace and saving countless lives.

The classic peacekeeping role has been to help maintain a ceasefire or to prevent the outbreak or spread of hostilities so underlying disputes can be settled through negotiations. In this sense peacekeeping has been a practical device to assist peacemaking.

Since the end of the cold war, however, the face of peacekeeping has undergone a remarkable transformation.

As the international environment has evolved over the last six or seven years, so too has peacekeeping. Witness, for example, the recent operations in Bosnia, Rwanda or Somalia. The dramatic changes are far from over and peacekeeping must continue to adapt to meet new challenges.

In tracking the evolution of peacekeeping over the last half century, it is critical that members of the House understand the full context of peacekeeping as they debate the possible deployment of Canadian forces personnel as part of a new mission to the former Yugoslavia.

I will briefly discuss some of the ways the international community and in particular Canada is responding to meet the new challenges of peacekeeping.

When international statesmen sat down to frame the charter of the United Nations in 1945, the harsh experiences of the second world war were still fresh in their minds. Peacekeeping began modestly. In the late 1940s the UN began deploying unarmed but clearly identified military personnel to observe peace agreements in some of the world's trouble spots.

Two of these early missions, the UN truce supervision organization in the Middle East and the UN military observer group in India and Pakistan, continue to this day.

With the Suez crisis of 1956 peacekeeping moved beyond simple observing and took on a more ambitious role. Suez was the most serious crisis faced by the United Nations since the Korean war and called for an imaginative response.

Lester B. Pearson, Canada's secretary of state for external affairs at the time, argued the UN should not only establish ceasefire between the warring parties but it should also police it with military personnel and make arrangements for a political settlement.

UN members were initially unimpressed by Pearson's scheme, but his determination and skill ultimately paid off and the United Nations emergency force was born. For his efforts Pearson was awarded the Nobel Peace Prize in 1957.

UNEF set the tone for most peacekeeping operations over the next 30 years. Peacekeeping forces, made up primarily of military personnel, supervised ceasefires, monitored troop withdrawals and provided a buffer between opposing local forces.

Some of the key peacekeeping principles, such as that the force be lightly armed, impartial and enjoy the consent of the warring parties, were also established in 1956.

Over the next three decades a select number of countries, including Canada, took the lead in peacekeeping. The great powers, because of ideological differences and colonial entanglements, kept a low profile.

Canadian peacekeepers served in many areas throughout the world, including the Congo, West New Guinea, Cyprus and the Golan Heights. Since 1947 more than 100,000 Canadians have participated in over 30 peacekeeping and related operations, a contribution which remains unmatched. Over 100 Canadians have lost their lives in the line of duty and many more have been wounded.

Looking at contemporary peacekeeping with the end of the cold war and the super power rivalry, we have seen a more active United Nations in the peacekeeping field. Between 1947 and 1988 the UN carried out 13 peacekeeping operations. In the last seven years alone there have been more than twenty.

The UN has also become more interventionist. The humanitarian impulse has on occasion challenged traditional notions of sovereignty. As a result the UN has become more involved in intra–state disputes and has grappled with human rights and humanitarian issues on a far greater scale than ever before. In short, modern peacekeeping operations demand a full range of military capabilities on the ground, in the air and at sea. Canada's own experience in the Balkans, Central America, the Middle East and Asia underscores this point.

• (2040)

In the former Yugoslavia Canadian ground troops have performed a wide range of humanitarian tasks. In Cambodia we currently have personnel on the ground serving with the Cambodian mine action centre, responsible for mine clearance operations.

At sea Canadian naval forces have participated in operations off the coast of Haiti and the former Yugoslavia, enforcing economic sanctions and arms embargoes. We have also had Canadian personnel involved in naval peacekeeping operations in Cambodia and Central America.

Modern operations sometimes take place in the absence of a viable agreement and without the consent of the warring parties. In some cases the warring parties to disputes have turned on UN forces. The result, as we have seen in Bosnia, is that our personnel have been exposed to considerable danger and have suffered casualties.

These experiences have reminded the Canadian government that fully trained soldiers are the best peacekeepers. They are equipped with the complete range of skills and level of professionalism needed to meet these new challenges.

At the same time, the government is aware that our personnel require specialized training. That is why they receive instruction in such areas as cultural sensitivity, international humanitarian law and dispute resolution. The government intends to enhance this type of training in the future.

In meeting the new challenges of peacekeeping, clearly peacekeeping in the 1990s has taken on a new look. If we are to meet the new security challenges of the next century we desperately need the UN and other international organizations to play a more effective role in resolving conflict.

Because of the scope and complexity of modern peacekeeping operations, the UN has had to call on regional organizations to play a greater role in conflict resolution. NATO's role in the proposed peace implementation force for Bosnia is an excellent example of how international organizations can work together.

The UN is the right instrument to confer legitimacy on an international peace operation, while the alliance is the organization best equipped to carry out a mission in Europe, especially one that may have an enforcement dimension to it.

As for the UN itself, reform can no longer be put off. Created in the 1940s, the organization must be equipped to handle the security challenges of the 1990s and beyond. The organization's record since the end of the cold war has been for the most part impressive. Missions in Namibia, El Salvador, Cambodia, Mozambique and Haiti have produced solid results.

However, setbacks in Africa and the Balkans, where many new concepts have been introduced, have raised concerns. Unfortunately many member states criticize the UN for all the world's current problems, which is hardly fair. Member states must stop shifting the blame and step forward to do their part.

Canada knows the UN has its share of problems but the government is determined to find solutions. Canada is in a unique position to help the UN. With our extensive experience and expertise in virtually all areas of peacekeeping, including many of the new concepts, we have much to offer.

Canada is helping strengthen UN peacekeeping in a variety of ways, from providing expert advice at headquarters in New York, to establishing the Lester B. Pearson International Peacekeeping Training Centre in Cornwallis, Nova Scotia.

In true Canadian fashion, we are putting forward practical and achievable proposals to help prepare the UN for the future. With the international environment becoming ever more complex, it is no surprise that peacekeeping has followed suit.

As new security threats continue to emerge, Canada and other members of the international community must not let up in their efforts to discover new and innovative approaches to peacekeeping.

Whatever the challenges, Canada's commitment to this useful conflict resolution tool should remain steadfast.

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Madam Speaker, I am pleased to participate in the debate respecting the participation of Canadian forces in the peacekeeping mission in co–operation with other countries in the former Yugoslavia.

• (2045)

The peace agreement signed a few weeks ago brought a sigh of relief for all after the many years of bitter battle which had raged in that area of the world.

Canada has a long tradition of peacekeeping. Whenever the word peacekeeping is mentioned, Canada's name comes to the forefront. We have had experience in this area for almost 40 years.

Monitoring peace is a noble cause. It shows a willingness for fellow humans and governments to do something constructive to alleviate human suffering. It will bring stability to a region that has been torn up after many years of internal conflict and civil war. It is the first time in a spirit of co–operation, NATO forces along with the non–NATO forces, are participating in this peacekeeping effort.

It is not a military mission alone. It is a mission of hope for the people of the Balkans. It is a mission of ending misery for the people of Bosnia, Serbia and Croatia. It is a mission of ending ethnic cleansing which has cost the affected communities tens of thousands of innocent lives.

Actions speak louder than words. It is this principle that is guiding the government to share this collective responsibility of keeping peace in the former Yugoslavia.

My colleagues on this side of the House have mentioned lack of resources. That should not deter the government from taking firm action on this matter. It is our contribution in maintaining world peace.

I support the government's position to do its share of bringing peace to this central European region. A time period of 12 months for this peacekeeping initiative does not seem to be far fetched. There is speculation it could extend to more. We cannot work on speculation and other unreasonable suppositions.

As regard the competence and the ability of the Canadian defence forces, they are among the best in the world. As the saying goes, when the going gets tough, the tough get going. It will be a test of professionalism for our fine men and women of the Canadian forces once again under trying conditions. We cannot leave the question of keeping world peace to the regional countries and communities because the world has become a global community.

Events happening in one part of the world cannot be ignored as regional skirmishes not worthy of serious consideration by those who are not immediately affected by them either directly or indirectly like our country here.

World security is a collective responsibility of each and every member of the international community. It is more so for Canada because we are a respected and influential member of this community. I see no reason why we should take a back seat to any other country in bringing peace to the Balkan region by participating in this noble cause.

Finally, this is an important initiative that I am sure will have the support of all Canadians. We have to support this initiative without any hesitation.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I welcome this opportunity to speak in this debate on peacekeeping. In case you had not noticed, this is the first time I rise in the House to speak in a debate on our armed forces. If I am not mistaken, it is the third such debate, and this is the first time I have decided to intervene.

I do so not as a member of the national defence committee or the foreign affairs committee but to pass on comments made by some of my constituents.

First of all, I want to congratulate all those who participated in the Dayton agreement and made it a success. I believe that all

these people who came from far and near deserve to be congratulated by the whole world.

• (2050)

We also owe a vote of thanks to all the parties who signed the agreement. They showed they were at least willing to try to restore peace to a part of the world where it had disappeared and this only a few years ago.

[*English*]

Some friends were telling me that they had met people who came from the former Yugoslavia who had lived there prior to and during the war period. They had lived in a country that was as normal as one could find, perhaps not quite as wealthy as ours, but for a country that operated under the kind of regime it did, it was relatively prosperous. They had done rather well. They were living as we do, perhaps not as wealthily, as I said.

Virtually overnight the peace they had known was no longer there. The neighbours they had known as friends became their enemies. Families were broken up in the strife. All of a sudden people could no longer trust virtually anyone. People had reverted to that Hobbesian state of nature where it is every person for himself.

I suppose if it teaches us anything, it is the fragility of peace everywhere and that we should cherish peace if we happen to enjoy it at the present time, as we do. It has at least taught me that.

[*Translation*]

I also want to say that I am proud to be a Canadian and an heir to the legacy of Lester B. Pearson. As you know, I presented a motion in this House to have a statue erected in his honour. It is just next door to this building. It was erected a number of years ago, and I am pleased to have been the one to suggest this. I must say that every time, and especially recently, when I pass this statue of Mr. Pearson, I remember his particular contribution to peacekeeping throughout the world.

[*English*]

Some colleagues are perhaps a little more isolationist than others in this Chamber. I am not one of them. I happen to believe that we have an important role to play in the world. We do not live on a planet of our own. We share this planet with everyone else. It is time we remembered it. Some members across the way see it differently. They are indicating so by their heckling at the present time, which is their privilege.

I do not believe we are doing our job properly as MPs if we do not know members of Parliament from other countries, if we do not speak with them, if we do not find out what goes on in the world. Whether we realize it or not, whether we are by nature isolationists or not, the planet is shrinking all the time because of communications, because of increased trade, because of all these reasons.

The problems of one country are the problems of the world, not just of that country. Even if they were problems of only that country, I still believe it would be our duty morally and otherwise to help where we could. However, they are not only the problems of those other countries, they are everyone's problems, particularly in the world in which we live.

I was here when we dealt with and voted on this issue when it involved the gulf war. Madam Speaker, you will remember that night. That night we all realized very suddenly how small the planet had become once those scud missiles left Iraq and were aimed at another country. In the space of a few minutes many members of the House became all too familiar with every spot on the globe where we were expecting a scud missile to land next. It did not take us long to learn the planet was smaller and that all of us in this world were closer to each other than we had previously thought. It is time we all remembered this.

[*Translation*]

This evening some members are saying: "We cannot vote for this kind of initiative; we cannot speak out in favour of this kind of initiative because we do not have enough information".

• (2055)

All of the parties were provided with documentation. The parliamentary secretary tells me that documentation was offered to all parties in this House. I trust that members of all parties have a little idea of what is going on in the world, what has happened in the past, what has happened in this war, and so on.

The members were indeed properly informed and I would add that those who do not have the information perhaps chose not to find out any more.

[*English*]

I would like to speak about our role as Canadians. Some people have said we should not go there because we have been there already. That is a rather unusual view. To me that means we have expertise. We have experience. We have been there and we know what we are doing.

Our military people are well trained. They are the best. Our military people, we know from previous roles we have had in that part of the world and elsewhere, are very qualified. They have done tremendous work. We have the expertise and the experience and we are highly respected. Yes, we should be there.

I have constituents who have been to the former Yugoslavia, either in Croatia or in Bosnia. Recently there was a meeting of young people in my riding and a young man came to address the meeting. He is a soldier who has just returned from Bosnia. His job was to deactivate land mines. He brought some material with him, along with his blue cap and blue beret which he wears for more formal occasions. He spoke about the job he did in Bosnia.

It did not take long before hands rose to ask the soldier whether he would go back. He said yes. They asked him why. He said he thought they made a big difference and because they saved lives.

There was a time not that many months ago when Canadian soldiers were experiencing great difficulty in that part of the world. Canadian soldiers and soldiers from other countries were either being held as hostages or were being otherwise threatened. That was the time when all of us in the House should have supported those soldiers. We should have been united.

[*Translation*]

And what did some of the hon. members have to say? While some of our Canadian troops were being held hostage, they were telling us that it was time to announce our withdrawal from Yugoslavia.

[*English*]

That was not the Canadian way and we did not do it. That was not the right way and we did not do it. As far as I am concerned we do have a role to play and we should be contributing as Canadians. I believe our military would support that. I believe the Canadian population would support it. I believe it is the right thing for us to do. Let us hope, contribute and pray that peace in the former Yugoslavia will last for a long time.

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, I cannot let this opportunity go by without mentioning that the Reform Party is not isolationist.

The hon. member referred to the gulf war. The gulf war proved how poorly equipped our Canadian forces are. That has been our main concern in this debate all day long.

The Acting Speaker (Mrs. Maheu): It being nine o'clock, pursuant to an order made earlier today, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 9 p.m.).

HOUSE OF COMMONS

Tuesday, December 5, 1995

The House met at 10 a.m.

Prayers

[*Translation*]

POINT OF ORDER

MOTION NO. 26—AMENDMENT BY HON. MEMBER FOR CALGARY SOUTHWEST—SPEAKER'S RULING

The Speaker: Colleagues, I am now prepared to make a ruling on the admissibility of the amendment, moved last Wednesday, November 29, by the hon. member for Calgary Southwest, to government business Motion No. 26 relating to Quebec as a distinct society.

I have reviewed the representations of the chief government whip, the chief opposition whip and the hon. member for Calgary West, and I would like to thank them for their helpful comments.

[*English*]

Bourinot's *Parliamentary Procedure and Practice in the Dominion of Canada*, fourth edition, at page 321 states:

> It is an imperative rule that every amendment must be relevant to the question on which the amendment has been proposed.

This idea is also repeated as citation 568 in Beauchesne's sixth edition.

[*Translation*]

Beauchesne also notes in citation 567 that:

> 567.—the object of an amendment may be. . . to modify a question in such a way as to increase its acceptability—

[*English*]

In his presentation the chief government whip quoted citation 579 of the same work, arguing that the proposed amendment would introduce a foreign proposition and would raise a new question which could only be considered as a distinct motion after proper notice. He also referred to the 1923 and 1970 Speaker's rulings on which this citation is based. I have reviewed these decisions, and while it is indisputable that these are accurate references, they are not germane to the case now before us.

The Chair has reviewed the terms of the main motion and has taken into account the nature of its wording. The wording of the proposed amendment is linked directly to the text of the main motion and touches on various concepts found therein. It appears to the Chair that the proposed amendment does not stray beyond the scope of the main motion but rather aims to further refine its meaning and intent.

Thus the Chair is of the opinion that the requirements for amendments outlined in Beauchesne's citations 567 and 568 have been met.

[*Translation*]

I therefore rule that the amendment is procedurally acceptable and will be proposed by the Chair when next this government order is called.

ROUTINE PROCEEDINGS

• (1010)

[*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 four petitions.

* * *

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 the questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE REFORM

Mrs. Francine Lalonde (Mercier, BQ) moved:

That this House condemn the government for choosing to reform unemployment insurance in a way that maintains overlap and duplication in the manpower sector and thus prevents the government of Quebec from adopting a true manpower development policy of its own.

—She said: Mr. Speaker, I am proud to present this motion here this morning. I would like to read to the House a motion that was adopted yesterday by the Quebec National Assembly: Yeas, 96; Nays, 0; Abstentions, 0; it was therefore unanimous, with the clearest possible consensus.

That the National Assembly reaffirm the consensus expressed in this House on December 13, 1990, on the occasion of the ministerial statement on manpower adjustment and occupational training, to the effect that Quebec must have sole responsibility for policies pertaining to manpower adjustment and occupational training within its borders and patriate accordingly the funding allocated by the federal government to these programs in Quebec.

Within the current constitutional framework and in order to improve services to customers, Quebec must take over the control and management of various services pertaining to employment and manpower development and all programs that may be funded through the Unemployment Insurance Fund within Quebec's borders, and must therefore receive the funding appropriate to such responsibilities.

The motion adopted unanimously by the Quebec National Assembly goes on to say:

The Government of Quebec and representatives of business, labour and the co–operative sector agree to oppose any initiative by the federal government that would constitute an invasion of Quebec's prerogatives.

Therefore, it asks the government and the Minister of Employment to immediately undertake formal discussions with the federal government in order to ensure the respect of the consensus and the promotion of the interests of the Quebec people.

Especially after the referendum vote on October 30, it is important for the government to be aware of this consensus and realize it cannot be satisfied with the guideline in this new bill, Bill C–111, in part II under the heading "Employment Benefits and National Employment Service".

• (1015)

In fact, throughout part III, what predominates is not Quebec's right to control, develop and take responsibility for its manpower policy but a renewed affirmation of the central government's primacy in this area over which Quebec has jurisdiction. All the federal government's noises about being prepared to negotiate and being open to suggestions cannot obscure a very important side to this question. Today, money collected from Quebec workers and businesses in the form of unemployment insurance premiums goes to and is controlled by the federal government.

The federal government determines under what conditions it would be prepared to agree that the government or, as appropriate—and this is something we will find in another bill we will discuss later on— agencies, individuals or any other intervenor the government may consider would be called on to implement the measures provided in the bill.

Primarily for the sake of efficiency and also from a cultural standpoint, Quebec insists on being in charge of implementing this manpower policy, on being the only one in control and in charge of this policy. Culture is basically an expression of differences. And we know that as far as the implementation of manpower policy is concerned, countries have different ways of doing things, different objectives and different priorities. In Quebec, we do not do things the same way they do in France, Japan, the United States and the rest of Canada.

We have this consensus in the National Assembly, which was expressed in the past and confirmed again yesterday, so it is a matter of efficiency and our own culture. Why efficiency? So we can stop this endless bickering which prevents us from improving the circumstances of ordinary people whose needs are tremendous, with the unemployment rate still around 11 per cent. Of course, the unemployment rate only indicates how many people want to enter the labour market. It does not consider all those people who are discouraged, who are on welfare or are trapped somewhere without benefits of any kind and have become discouraged.

• (1020)

Given the rate of unemployment and Quebec's need for a strong and vigorous economy, it is not only unacceptable, it is downright intolerable that this issue of control over manpower is once again caught in a tug of war, which prevents ordinary folks—women, men, young people, seasonal workers—anyone with needs, from getting the most out of the services they are entitled to.

This is why, for reasons of efficiency relating to our culture, the official opposition has tabled this motion this morning, which it will speak to throughout the day.

The government has to realize the extent of the need of those it is penalizing by insisting on running the show. These people need jobs, help and a strategy. They cannot live with a system full of holes, a system that is in fact not one, but two. It is a useless system, because two governments are competing within it: one is on its own turf and the other is endlessly butting in. It has broadened the meaning of the constitutional amendment on unemployment insurance and, once again, with employees and employers' money, it is pushing aside the Government of Quebec.

The Prime Minister of Canada said, in the final days of the referendum campaign, that he would do everything to keep Canada united. Now, in an area where consensus is so strong and less than a month after October 30, the government introduces a bill that ignores the unanimous will of Quebecers. The government is acquiring the means to prevent Quebec from doing what it considers appropriate. It is giving itself the wherewithal to

control. Worse, if, at the end of negotiations, Quebec, with the knife to its throat, refuses to bow to the dictates of the federal government, Quebec will be unable to do what it wants.

I am sorry the minister finds this funny; he could say he was open, but he has not managed to call even a single meeting of ministers of manpower and employment in the time he has been in office. He has not been and still is not known for his flexibility.

It is hard to avoid feeling worried and discouraged in the face of a text such as this, regardless of the minister proposing it, because it is absurd to find ourselves once again in this endless twisting and turning at the expense of the ordinary folk.

• (1025)

Subclause 61(2), which deals with training, stipulates that the central government, through the commission, and I quote:

> —may not provide any financial assistance in a province in support of employment benefits mentioned in paragraph 59(*e*) without the agreement of the government of the province.

But paragraph 59(*e*) reads as follows:

> 59. The commission may establish employment benefits to enable insured participants to obtain employment, including benefits to:
>
> (*e*) help them obtain skills for employment, ranging from basic to advanced skills.

It is important to have a good understanding of this provision. It means that, this time, with respect to the so–called employment benefits the government wants to introduce, in the absence of an agreement, it may proceed on its own by giving the commission the required mandate. In this specific case, however, it goes so far as to say that if the province—Quebec, in this instance—disagrees, it will not give anything. Great.

It would make people responsible for Quebec's refusal to relinquish its jurisdiction. The last time we saw this was when Maurice Duplessis was in office.

These provisions are extremely disturbing and do not appear to portend successful negotiations, far from it.

These measures, which are supposed to help workers, are in fact modelled after other measures already in place in Quebec to help welfare recipients improve their lot and find jobs they can keep. These measures already exist in one version or another. Except that, in this case, the federal government—that is the beauty of it—is set to introduce similar initiatives that will create an inextricable web of overlap and duplication so that two individuals in the same business could each receive a different kind of income supplement: welfare in one case and job benefits in the other.

This kind of chaos is unacceptable. Co–ordination is needed. We must see to it that workers and people looking for jobs benefit from a real labour policy. The only way such a policy can become a reality is if Quebec has control over all these measures.

This bill was expected. The minister had said that it would make people change their attitudes and that it would really help, as the ambitious title "employment insurance" shows. Yet, I cannot help but point out that the $800 million that will be spent on these measures will in fact only be spread over five years, another $200 million for all of Canada, because measures are already in place whose effectiveness needs to be reviewed but whose total cost is $4 billion, with the difference that only $1.9 billion comes from unemployment insurance.

• (1030)

How much will that make by the year 2001, when this reform is complete? Some $4.2 billion, or a mere $200 million more, with this difference however, and a crucial difference, that an additional $800 million will be paid out of the UI fund then while, as a result of the general tax currently levied to cover the cost of most of these measures, $600 million less will come out of the consolidated revenue fund.

This whole operation that had raised hopes results in $200 million in fresh money, but also and again, for Quebec in particular, in the imposition of measures causing duplication and overlap, jamming the labour market and preventing Quebec from putting in place an urgently needed manpower policy.

I hope that, even though he laughed earlier, the minister will understand that the consensus in Quebec calls for the government, as a modern constitutional system, to recognize Quebec's jurisdiction and to accept that Quebec should have sole responsibility over this manpower policy for ordinary people and, therefore, that the allocated funds made up of money coming from businesses and workers should be transferred to Quebec to administer according to its own needs and priorities.

I repeat, this must be done not only with the consent of the parties, but also that of business, labour, the co–operative movement, community groups, which may have been more active in Quebec than elsewhere, perhaps because Quebec was seriously hit by the 1982–83 recession. But this consensus is the best guarantee of what could be the Quebec model, in which we will be able to use our resources, our scarce financial resources, to help ordinary people whose individual well–being is in great need of improvement.

I sincerely hope that our plea be heard in the interest of the people, because the government has no right to stubbornly keep preventing Quebec from fully playing its role like this.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I welcome the opportunity to ask some questions and make some comments on the speech of the hon. member for Mercier. As always, she takes a very pessimistic outlook on this legislation.

For the record, Canadians from coast to coast participated in what was perhaps the most extensive consultation process in Canadian history. Over 100,000 people participated. The hon. member for Mercier was a very active member of the human resources development committee that was looking at the modernization and restructuring of Canada's social security system. The hon. member heard what I heard. She heard what the Parliamentary Secretary to the Prime Minister heard.

Canadians were saying they wanted an unemployment insurance system, a social security system that would help the most vulnerable in our society, that would help Canadians find jobs and keep their jobs and to do that in a sustainable fashion. They realized the skyrocketing costs of unemployment insurance from $8 billion in 1982 to $20 billion in 1992. They realized the distortions which exist in the marketplace where 38 per cent of benefits are directed to 14 per cent of the firms and represent 12 per cent of the people. They realized that all these things needed to be changed because the status quo simply was not serving the people it was supposed to serve.

• (1035)

Throughout this process we engaged Canadians in a serious debate about the issues. If we look at the objectives and clearly analyse the EI bill we find that those objectives are met. The hon. member said this is a regressive piece of legislation. She should rethink, re–read and re–analyse what is in the legislation.

The hon. member does not talk about the progressive measures found in the legislation. Over 500,000 Canadians who were excluded and marginalized by the Unemployment Insurance Act will now be covered by the legislation. Part time workers count. Every hour, every dollar, every effort which they make will be rewarded under the legislation.

The hon. member did not talk about the family income supplement which will allow people to receive up to 80 per cent of their average earnings. The hon. member did not talk about that because it is too positive to mention. She did not talk about the people who are included in the legislation. She did not talk about the fact that low income Canadians will be able to earn $50 without being penalized or taxed back. She did not talk about the fact that by reducing premium rates for business, job creation will be enhanced. Employees will be helped because they too will participate in the employment insurance fund.

The hon. member tried to depict the federal government as a government which imposes its rules and regulations upon the provinces. That is not the case. The legislation is quite open. It says that the federal government will negotiate with the provinces on wage supplements, top ups, self–employment assistance, skills and loans. It will also work together with the provinces on job corps partnerships.

Why is the hon. member continuing, like every member of the Bloc, this misinformation campaign? They are trying to confuse Canadians. Canadians know that the employment insurance program which was introduced speaks to the number one issue facing Canadians, and that is job creation. Over 100,000 jobs will be created directly as a result of measures taken by the bill.

I am quite surprised. The hon. member knows that the province of Quebec has historically benefited from the unemployment insurance program and it will continue to do so under the employment insurance program. She also knows that she will benefit from the $300 million transition fund in high unemployment areas.

I have a simple question for the hon. member: Why does the Bloc Quebecois continue this misinformation campaign? Why does it not tell the real story to Canadians?

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I am very pleased that the hon. member did not address the motion because, given its subject, he could only have agreed with me. We will discuss the overall UI reform project when we debate the UI bill.

The motion before the House this morning provides that Quebec should have control over manpower policy. The hon. member remained silent on that issue, because he knows that I am right. What is really important is to ensure that the unemployed have the best guarantees to get help to find decent jobs.

• (1040)

Let me digress for a moment to say that, yes, I did participate in the consultation exercise. Everywhere we went, Canadians told us that the real issue was jobs, not employability. And in order to create jobs, it is essential to have a co–ordinated manpower policy.

This is why this motion deals with manpower policy. In that regard, and regardless of the October 30 results, the National Assembly was unanimous in demanding, yesterday, that Quebec have control over the manpower sector, and that the central government pull out of that field of jurisdiction and stop interfering in it. The vote was unanimous: 96 to 0, with no abstentions. Moreover, that unanimity also exists among businesses, unions, co–ops and community groups.

I would have liked the parliamentary secretary to comment on our motion. I can only conclude, with some pleasure, that if he did not do so, it is because he would have had to say, assuming he is in favour of an efficient manpower policy in Quebec: "Yes, you are right. The central government should get out of that sector".

The parliamentary secretary said that Quebec benefited from the UI program. The fact is that Quebec and the Maritimes are the ones that bore the brunt of the 1994 reform. The same is true again with this reform. Indeed, by the year 2001, Quebec alone will have to deal with an annual shortfall of $735 million, in addition to a reduction of over $640 million in UI benefits.

I thank the hon. member for finally agreeing with me that the central government had to leave that sector.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I have a few brief questions for my colleague from Mercier.

It becomes very obvious to me as I listen to Bloc members that they are interested only in Quebec. Because of that I question whether they should be the official opposition in this matter, but that is simply an aside. We have to take into account the concerns of all Canadians. I have a very difficult time seeing how the concerns she has expressed differ in any way from the concerns all Canadians have. Therefore, I cannot support this motion as it stands.

We all want jobs. She states Quebec wants a vibrant economy and jobs. Is that not true for all of Canada? Should we not be moving toward a policy that addresses this across the nation? She says there is a culture in Quebec. Do we not have a culture in the rest of Canada? Yes we do. That also has to be taken into account.

Why is Quebec asking for control over only the educational aspects of this and not control over the rest of the program? I cannot understand why Bloc members are only picking and choosing some of the things they want. I find that very difficult to understand. Perhaps the member can clarify for me her party's position on this.

I realize that education is a provincial matter. I agree with the member that the provinces should be looking after the training programs because those are truly educational aspects of the program. If that is the case, why not reduce the premiums to the point where they do not include the educational aspect? The government has admitted that by reducing the premiums a lot of jobs would be created. Why is the member not working on that aspect of reducing the premiums and letting the Government of Quebec tax its own people for the educational aspects of this program?

• (1045)

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I shall be brief. First of all, I would like to tell my hon. colleague that yes, Canada does have a culture. What I am saying is that we ought to organize along cultural lines, since the economy, the organization of manpower policy, are linked to culture, after all.

The Quebec National Assembly's demand—I could provide a translation of it, but I guess the interpreter will take care of that for now—goes beyond the educational aspect. What they say, and this was adopted unanimously, is that Quebec must take over the control and management of various services pertaining to employment and manpower development and all programs that may be funded through the unemployment insurance fund within Quebec's borders.

It is, therefore, a matter of jurisdiction and of encroachment, but for the sake of efficiency. We want to take over the overall co–ordination because we can see the inefficiency of the present system and the great needs. Now I am being accused of not speaking for all of Canada. Let me tell you, if anybody has travelled across Canada and given voice to the needs I saw everywhere, it is I.

Except that this morning, with the National Assembly's resolution, I felt it was extremely important to state that these demands have unanimous support in Quebec. I am, however, aware that debates need to be held in Canada on centralization and decentralization. Knowing that I am not able to answer for Canadians on this, I wish that a debate will be held. I think there should be a debate.

In Quebec however, the debate is over; this is the consensus of Quebec, the consensus of a variety of groups, unions, businesses, community groups, and so on; it is true for the province as whole, it is true for the regions. So now we wonder what is keeping this government from giving us back the tools needed for results, instead of continuing along with this unproductive duplication and overlap.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am very pleased to take part in this debate on the motion in the House of Commons, particularly since the hon. member for Mercier could be nominated for the Quebec prize for literature, the Prix Athanase–David. Her speech is a great example of fiction writing, and I trust that all of her colleagues in this House will support her nomination after hearing it. This is an excellent example of the Bloc's talent for writing complete and utter fantasy.

[*English*]

When we read the Bloc motion, we wonder where its members have been. Like Rip Van Winkle, they have been asleep for the last while. They neither take into account the statement made by the Prime Minister, which says very clearly that we will be prepared and in fact will welcome the opportunity to give full responsibility for education and training to the provinces.

The tabling last Friday of the legislation for employment insurance clearly indicates once again that the area of education and training is the jurisdiction of the provinces. Furthermore, we would go beyond that and take in those areas of direct employment activity that are within our constitutional orbit and share with the provinces, sit down and work in concert with the provinces, plan with the provinces, co–operate with the provinces for one reason: to develop a partnership for employment.

Yet Bloc members bring in a motion that totally and completely misses the point. They are saying that somehow there will be more intrusion, more activity and no withdrawal. It seems this group simply cannot take yes for an answer. When we say we are going to do exactly what is being proposed, they seem oblivious, unable to filter it out. That only confirms my suspicion that all the speeches, all the motions and all the commentaries were written before we even got around to making good on the initiative of the Prime Minister or tabling legislation. They just pulled it out of the old vault, took out the old speeches from the old drawers, put new dates on them, and presented them once again without taking a look at reality or the facts or the hopeful signs.

• (1050)

With the initiative we announced on Friday we can begin developing a whole new set of relationships with provinces, communities and individuals directed toward the creation of jobs and employment. It is the beginning of a new dialogue about how we can come together and form arrangements so we can share responsibility. If people are unemployed they do not care whether it is a provincial or a federal jurisdiction, they simply want a job. That is what it is all about.

As I listened to the hon. member for Mercier carefully, what was beginning to creep into the language was that she was far more concerned about transferring power to bureaucrats in provincial capitals than putting money directly into the hands of individuals so they can get back to work. That is the real issue. Power is at the heart of this motion, not employment. It is the opportunity to control and manage, not to provide a new form of empowerment for individuals. That is what the debate is really about. It is really oldspeak government. It is really setting the clock back.

When Canadians in whatever region are looking for government to provide new leadership, new formulas, new methods, we have an opposition party that is retreating back into the romantic past, trying once again to dig up the old speeches that were written 30 or 40 years ago and not dealing with the difficult new realities in a world where work has changed.

The major modernization of the insurance system of Canada for employment is pegged on one important reality, that the world of work is changing and we must keep up and be relevant to that world of work. That is why the measures we have introduced state that the clear responsibility that was given by the provinces to the federal government in 1941 to be responsible for the basic insurance program for Canadians dealing with unemployment had to be modernized. I will be the first to say that throughout the years it has been a good program. It has provided an enormous bridge of support for generation after generation of Canadians who have faced unemployment.

We should take some real pride in the fact that the federal government has been able to ensure not only security for the individual but security for the regions. Areas where there was wealth, growth, and jobs were able to share with those who were less advantaged. That has been the genius of the program. It was built on sharing, something our hon. friends opposite forget about. Sharing is not part of their vocabulary. Co–operation is not part of their vocabulary, the notion that somehow they can have a national system of insurance that enables Canadians to distribute support and security because we all mutually benefit from it. It is not a matter of charity but of good investment. We must make sure we can support the various measures in areas where they are faced with high unemployment so that those areas with lower unemployment do not have to bear the full burden in a geographic way.

This plan has worked for most of its years, but it is changing because Canada is changing. What we have been discovering in the last decade or so is that the original architecture was no longer sufficient to meet a world where the work has changed, a world where we now have hundreds of thousands of part time workers, where there are multiple job owners who were not being given any protection, where individuals were facing much tougher problems of adjustment when jobs or skills changed.

There is one thing that is clear from every single analysis and study that has been done internationally and nationally: the higher the level of literacy, skill and education, the better the chance for a job. There are lots of anecdotes and examples of people with good degrees who cannot find work. That is one reason we have introduced the youth internship program, which enables young people to move from school to work in an easier fashion through industry support and small business.

• (1055)

We know we have to invest in those areas. We also know that increasingly people need to get re–employment much quicker and faster than they do now and that there are useful tested means of achieving that.

We spent the last two years working on various projects using wage supplements where the small business community that wants to hire a new worker but does not have quite the cash flow or is concerned it will not get full productivity or full learning in the first six or eight months is reluctant to make that commitment. Wage supplements open the door. We have seen in place after place that we have 70 per cent to 80 per cent improvement in job retention as a result of that measure and that we can extend work by 14 or 15 weeks. This is what is important, that we add about $4,000 to $5,000 additional income.

In talking about the employment insurance program, people get tied down talking about their benefits. What we have to talk about is their income. How do we improve people's income? The best way to improve income is by employment. That is the best way of doing it. If people simply rely year after year on a benefit program they begin to lose the ability to be in the job market and also their income does not grow. Governments are having tight times. Provincial governments everywhere are cutting back on those assistance programs. The real thing is to have a springboard back into the job market.

We have said we are going to take all the programs we have, 39 programs, and bring them down to five simple employment measures. These are not programs with their own organizations and their own bureaucracies, but a basic set of measures that are available to individuals to get back to work. They make the choice.

I find it amazing that the members of the opposition do not have much trust in individual choice, that they really do not believe that individuals can exercise the right to decide how to get back to work and how to make these tools work. They really have lost faith in the right of individuals to be able to choose and decide, not exclusively but with some support. We know that oftentimes individuals thrown totally into the market by themselves do need some assistance, but assistance that works.

However, the opposition members talk about transferring from one government to another and all these kinds of things. They have lost the sense that individuals are what really count and that they should be given the opportunities to make those choices. At the same time, they have also lost something else that is very important to recognize. It goes back to the fundamental importance of the employment insurance system: it is a federal constitutional responsibility and people pay in premiums.

The hon. member from the Bloc Quebecois shakes his head. This is a party that spends its entire question period and its entire existence in the House arguing about federalism in the Constitution. Yet this hon. gentleman does not know that in 1941 the provinces ceded responsibility for unemployment insurance to the federal government. That is incredible ignorance for someone who likes to say he knows what he is talking about. He does not know a simple reality of the history of this country.

When people pay a premium they have a right to a benefit. That is what they are investing in, the right to that benefit. Now the Bloc Quebecois is saying no, just turn the money over to a bunch of bureaucrats and they will decide whether they get the benefit for not; it is no longer his or her right as an individual to have that benefit. That is what the Bloc members are saying in this motion, that individuals in Quebec who pay a premium no longer will be assured of the right to get the benefit of that because it is going to be decided somewhere else. As a result, the fundamental principle of the insurance program is taken away.

I do not think that is a very popular notion in Quebec or anywhere else. What is recognized is that they are fundamentally undermining the philosophy of the insurance program, which is that people contribute to protect themselves against the risk of unemployment. That is what it is all about.

• (1100)

I am surprised at the lack of understanding of the hon. member about the history of federalism in the country wherein that was ceded by the provinces to give us the insurance program. I am even more concerned about the sense of neglect of the principle of insurance, that is that people pay for the protection.

Basically we are saying that they will be eligible for an income benefit and an employment benefit. The employment benefit has within it five basic measures, including a wage supplement, with highly effective evaluations in terms of getting people back to work.

Income supplements tested out in New Brunswick and British Columbia over the past year show that people on lower incomes who would not take jobs because the income was not sufficient to pay for their family needs will take the jobs if there is a small top up. Thirty–three per cent are now back to work today compared to only 3 per cent in the general area of proven success.

Canada is the self–employment capital of the world. We are generating more opportunities for individuals to start their own businesses. In a matter of two years of testing the program for unemployment insurance, over 30,000 people started their own businesses. Each created a job for another person. In other words 60,000 jobs were created as a result of the measure.

Hon. members of the opposition want to deny people that. They say: "Don't do that. Don't give people the right to self–employment, to start their own businesses, to create jobs for themselves or somebody else".

Mr. Mills (Broadview—Greenwood): They have lost faith in the individual.

Mr. Axworthy (Winnipeg South Centre): They have lost faith in the individual. Yet that basic benefit was built into the program.

We also built in the basic partnership arrangement for job creation. Job fare is working in New Brunswick today involving 1,000 people from the forestry industry, older workers mainly. They are now back to doing reforestation, rebuilding that resource of the nation, cleaning it up and creating a resource that will be richer for the next generation of people.

Then we have the skills voucher that is available to individuals. That is where we come to an interesting point. We have said clearly in the legislation that in terms of the application of the voucher we will do so only with the consent of the provincial governments involved because it is their jurisdiction. We will not deliver it if they say no. It is not our right to do so. We think it is important that individuals have the right to make that choice. If getting back to work means a three–week program in computer upgrading, they should have that right. If the province says no, I will respect that.

I want to go beyond that. In all the measures I have talked about we are prepared to sit down with each province to work on a business plan of protocol, a year by year arrangement to determine the best allocation of the measures and to eliminate all duplication. Where the province has a program that can deliver that kind of opportunity to an individual who is our client, I am prepared to use it.

This is contrary to what the member for Mercier said. We should not listen to her. Frankly the hon. member for Mercier has an incredible track record in the House of crying wolf on misinformation. A year ago she was saying: "Oh, my God, you have changed the UI system. There will be 200,000 people on welfare". Where did it go? It did not happen. In fact it began to get a bit better. We have to look at her track record.

I make very clear that in the province of Quebec the SPRINT program provides a training voucher for people to go back to work. If the province is agreeable we can use it. Clients who pay a premium and get the benefit can use that direct program. I have no problem with that. It is perfectly good. I do not want to duplicate but that means sitting down province by province to work out the arrangements.

The one test I must have as a trustee of the insurance program is to ensure that those people who have paid into the program are eligible for the benefits and that they have a chance at being re–employed because that is the nature of the new benefits.

The member is creating a great fantasy of huge standards and intrusions. Once again the prize for fiction goes to the member for Mercier for fabricating, making up, fantasizing and, more important, trying to scare people, fearmongering again. It is unfortunate. In many ways I have a great respect for the hon. member for Mercier. She is a good person and a compassionate person. The problem is that every time we have a debate in the House—

• (1105)

Mrs. Finestone: First of all she leaves.

Mr. Axworthy (Winnipeg South Centre): That is another problem. She does not listen too well. Let us put it that way. Nevertheless everything is filtered through the prism of her separatist philosophy. That is the problem.

She cannot look at a major new program to help unemployed people. She cannot deal with the fact that we want to totally rework federal–provincial relations to transfer far more responsibility to the provinces, to transfer all responsibility for training. She cannot see that because everything is filtered through a separatist black box. It does not allow the hon. member and her colleagues to see the opportunities which exist.

I should like to clarify another important point. The hon. member made claims that this would be offloading on the provinces and that it would create problems. I point out something that has not been deliberately omitted but certainly has not been commented on by opposition members. An important initiative in the legislation is to extend for up to three years to all those who have had an attachment to the insurance system their eligibility for employment benefits. People who have exhausted their claims will now be eligible to start their own businesses with a self–employment program, to get a training voucher or to receive a wage supplement.

This means that 40 per cent of the people presently on the social assistance rolls in the province of Quebec will now be eligible for re–employment benefits. At a time when the provincial government is cutting back on those benefits we are filling the vacuum. That is a very crucial reason negotiation is so important.

There is an opportunity to harmonize our efforts. There is a real opportunity to separate those on assistance from those on the insurance program because in many cases they are the same person. Let us deliver through provincial programs such as APPORT. Bloc members have forgotten that last summer I signed an agreement with the provincial Government of Quebec to contribute to the APPORT program, specifically to test how provincial governments could deliver direct employment measures. Now we are seeing the benefits of that.

I am pleased that the assembly has agreed to negotiate. It is a first step; it is a good first step. The minister of employment for Quebec has already thrown conditions into the process, but I do not mind. I invited her over a month ago to have discussions. I am willing and open. Once we get together to form a partnership we can talk about how to bring the measures together to help those who have exhausted their benefits but want to be employed and about how we can ensure that the benefits paid out are delivered efficiently and without duplication.

Those are the real opportunities this measure opens up. It is a way of redefining how we work as governments and how we can work together. It means redefining the role of government for the individuals and giving far more responsibility, choice and hope to individuals of being able to find work. They will know there is support and they are not being left alone.

It also means an opportunity to help rebuild communities. One of the interesting developments in Quebec is that it is reorganizing down to the community level. I am doing the same in my department. We are reorganizing so that we have far more autonomy and discretion at the local, community and regional levels. If we can get together with provincial governments to agree on decentralization down to the community level, to let them make choices about the best way of employing people, we have done something very exciting. We have redefined governments in their relationships with each other, with individuals and with the community. We can provide the strength to rebuild the communities, to rebuild the employment system in Canada and to rebuild the country while we are doing it.

• (1110)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I would like to comment, to set the record straight. Reacting to my shaking my head—it was not even something I said—the minister went off on a tangent and said that my understanding of the history of Canada and the Constitution was lacking.

I shook my head to indicate that there was nothing in the Constitution on this subject originally, although of course the minister is right, in that the provinces agreed to a constitutional amendment that gave the federal government responsibility for unemployment insurance. I want to make that clear, and I think it was in 1941. I wanted to make that clear.

The minister is intelligent, dedicated, energetic and well intentioned, and he probably wants to improve things, except when he says that the hon. member for Mercier does not listen too well. I want to appeal to his own ability to listen, because in the days to come, it seems there may be a meeting between the minister and the Quebec Minister of Employment. I hope he will go to this meeting with an open mind. In fact, I hope both parties will.

This morning, he seemed to be open to discussion. I am not the Quebec Minister of Employment. I am in the opposition here in Ottawa. I am also a member of the Standing Committee on Human Resources Development, and like the hon. member for Mercier, the minister's parliamentary secretary and the parliamentary secretary to the Prime Minister, I travelled with the committee across Canada last year. I listened to people, and of course I do not share the assessment that was made of a consensus in this respect. I might remind the minister that everywhere we went, there were demonstrations, and 75 or 80 per cent of the briefs boiled down to the following: Mr. Minister, no cuts, please. That is history. But yesterday in the Quebec National Assembly, and that will be the subject of my question to the minister—

Mr. Mills (Broadview—Greenwood): Of the Government of Canada?

Mr. Dubé: Yes, of the Government of Canada, of course. There are some things that I, as a Quebecer, would like to say to the minister, and this morning I have the opportunity to do so. The fact is that throughout the year, throughout our travels, we saw two ways of looking at reality. The majority of Quebecers, in all parties, including the Quebec Liberal Party and the Conseil du patronat, have the same perception of reality. The people of Quebec have the same perception of reality.

The minister made it clear this morning. I am not criticizing his personal values, which dictate that the individual is entitled to insurance. I can go along with that. I heard that very often in English Canada too, I must admit. But in Quebec, as long as it was unemployment insurance, there were never any complaints. It is true that Quebec had agreed, I think it was in 1941, to have unemployment insurance come under federal jurisdiction. But since that time, especially these past few years, Quebec has been demanding control over funds allocated to unemployment insurance from the federal consolidated revenue fund for training and employability improvement services, arguing that these matters came within the same jurisdiction as education and training. There lies the source of the dispute, if you will, that has been going on for some time now, over the fact that, when the federal government takes money from the unemployment fund for training, it is meddling in a provincial jurisdiction.

Mr. Speaker, the minister has surely received a copy of the resolution passed by the National Assembly. As I have been asking him since yesterday, is the minister ready to recognize Quebec's sole responsibility for labour adjustment and job training policies in Quebec, according to the unanimous wish of Liberal Party members, even those who were in the no camp in Quebec?

• (1115)

The Acting Speaker (Mr. Kilger): Before giving the floor to the minister, I would simply remind my colleagues that all

questions must be put to the Chair in order to keep the discussion within parliamentary rules.

[*English*]

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I am very pleased to direct my remarks to such a distinguished resident of the central office of the House.

First let me apologize to the hon. member if I misinterpreted his earlier comments about the Constitution. His clarification is certainly reasonable. It will fully restore my respect for his constitutional knowledge and judgment.

Let me get to the central point which is the question the hon. member raised. The reality is that we have clearly said that all choices and decisions about the nature of education and training will be made by provincial governments. We are withdrawing from the course purchases which have been the standard pattern over the past few years where federal bureaucrats would sit down with their counterparts and decide which courses would be available to clients. It will be purely a provincial choice.

We are withdrawing from apprenticeship training, co–op education and a number of other measures because we believe that the fundamental questions of curriculum, supply, institutions, course, faculty, all the things that make up the basic training and education are provincial choices, purely within their jurisdiction.

We are also prepared to go one step further and say there are other programs, not training, but which are directly related to employment and if a provincial government is able, wants to, is prepared to and has the mechanisms to decide how to make them available, that is fine. All I have to make sure is the person who is the insuree, who puts the money into the pot, is able to get the benefit back. That is the test and a requirement under the act, under the Constitution as the trustee for that insurance program.

The design, system of delivery and the nature of how training takes places are clearly and simply provincial responsibilities. It is important to recognize it cannot take place through a simple block transfer. As we have learned in the past, a block transfer with provinces does not end up in the programs it is intended for.

Quebec has been one of the better provinces in ensuring transfers for education and health end up in those programs. There are a lot of provinces in which a lot of roads have been built with money that was supposed to go to universities and a lot of provincial public buildings built with money supposed to go into the health care system.

As a result we have to ensure that when my colleague pays into the program she has a right to expect a benefit in return. That is all. We are saying we are substantially simplifying those benefits. We are basically saying that the 39 programs my department would run are being taken down to five measures. Those are not even programs, they are simply a tool. The provinces will be able to design that tool.

I use the example of the SPRINT program in Quebec which I think is a good program, a system to get people back to work. If Quebec is prepared to make that available to clients in the employment insurance program, let us do it and get them back to work. Those are the kinds of discussion I want to have.

I can assure the hon. member that we will discuss in good faith. We have invited the provincial ministers to meet with us and I am looking forward to that because I think there is a chance for a new, fresh, innovative dialogue with the provinces on this very crucial issue.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the experience the minister displays in his career in politics is very obvious. He is a very good speaker and I compliment him on that. I am sure he would do very well selling air conditioning units at the north pole.

• (1120)

As I listened to him there were several glaring contradictions. I have a series of questions related to these. He makes the same mistake as the Bloc when he appeals to history for what he is doing. Back in 1941 the government was given permission to run an unemployment insurance program. It is no longer a true insurance program.

My question is a very obvious one. Why does he appeal to this mandate back in 1941 to support what he is presently doing, making this a grand federal scheme that does not include only insurance? Why does he not return this to a true insurance program and only that?

Is there a long range plan behind all this? It is obvious this is simply tinkering. Is there some direction? Are we going to go beyond this?

The minister's press releases said a five–cent reduction in the premiums will create 20,000 jobs approximately. If that is true, 20,000 jobs with the unemployment we have is a drop in the bucket. If we can create jobs by tinkering with it only five cents, what is stopping the minister from reducing the premiums even more and creating more jobs? That is a very obvious question and a contradiction as far as I am concerned in what the minister is saying. If he wants to really create jobs why is he not doing more?

There is doublespeak. He says we are putting money in the hands of the individuals for empowerment. Why is he taking it out in the first place? The federal government charges a big handling fee whenever it takes money and does whatever it wants with it. Bureaucrats do not work for free.

I have several other questions. Perhaps throughout the day I will have a chance to ask them. I have asked three key questions we need answered now.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I thank the hon. member for his compliments. I wish my father were here to listen to him. He may actually believe them. My father was an insurance agent. He had a small insurance agency in the north end of Winnipeg. It was enough to keep us together and to go to school.

I learned one lesson when he was involved in the insurance field and that is the best way to be a good insurer is to reduce the risk. When he sold casualty insurance or fire insurance he always went along with a good program to ensure that people would have good wiring in their houses, that they would reduce the risk of accidents, whether it was health or safety or whatever.

When we have an unemployment insurance system, what do we do? We reduce the risk of unemployment. That is the best way to bring costs down, to protect against it. That is why it is a full insurance program. That is why as a trustee we have to invest in getting people back to work. That was the fundamental purpose.

It would be interesting if the hon. member read the debates from the House in the early 1940s. He would learn from that. The basic premise was that only on a national level could we ensure there was both a spread and sharing of the risk but also that we would try to reduce the risk. Only a national government which was responsible for the management of the overall economy could provide the kind of priorities and judgments in concert with others. That is why the provinces ceded responsibility at that time.

The hon. member would know that insurance is very much a question of reducing risk. That is why in our business we want to invest in bringing down unemployment and giving people a chance to get back to work.

The second question is legitimate. As the hon. member knows, we try to balance our program. When we want to talk about creating jobs we do not do it by one mechanism alone. Reducing costs for business is one important way but it is not the only way.

I have explained in the House a couple of times that what we want to do first is build up a reserve. It means we can protect against the really quite tragic and disastrous effects of what happened in the early nineties when the previous government did not have a reserve fund. When the recession hit it had to escalate premiums by almost 95 cents. It was the classic putting on the brakes while trying to go up hill.

• (1125)

The reality is the unemployment insurance system was designed to put money into the economy as a counter cyclical measure at a time when a recession is taking place. That government pulled money out because there was no reserve built up in order to insure and stabilize employment.

It was a clear recommendation to the House of Commons committee by business, labour and other groups that we have to build up a reserve, which is what we want to do.

We are still paying off the deficit of the nineties. We inherited a $6 billion deficit in the UI account when we came to government. We have been wearing that away for the past two years. That is why we need to build up the reserve. Each year the Minister of Finance will take a look at the accumulation in that reserve and how it can then be adjusted for further reductions for business.

This year we thought we would be prudent and give a premium reduction. We have also provided savings to business by making a substantial simplification of the system. We will have the ROE, the bugbear of business, which will be substantially simplified and will save $150 million. That is a good first step.

We froze premiums when we came in. We have now reduced them as a first step. We are bringing down the cost for business and each year it will be reviewed.

In the meantime we can assure Canadians, at a time when the business cycle becomes more difficult, we will have a reserve so we will not be taking money out of the economy when we actually want to stimulate the economy.

The Acting Speaker (Mr. Kilger): While these compliments are going across the floor and directed to the Chair, I must say it is appreciated. However, what we appreciate the most is the respect the House continues to show for our institution through the Chair and its occupant at any one time.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I would like to request of you and through you to the minister that any remarks on the presence or absence of my colleague from Mercier, as was made in the previous portion of the debate, be deleted from *Hansard*.

She is accorded the respect of all of us according to parliamentary procedures. One of the core issues relevant to that respect is that we do not remark on whether she is here or not. There were comments made by the minister during his speech and by colleagues surrounding him that may be part of the blues. I would like that to be addressed.

The Acting Speaker (Mr. Kilger): Let me see if I can be helpful from my perspective. I am certainly satisfied that at no time did the Minister of Human Resources Development make any reference to the absence of anyone in the House. I will review the blues and if someone else did then it would be a matter for the Chair to take under advisement.

I appreciate the reminder by the member for Calgary Southeast not only of a tradition but a rule of the House that is very important to our deliberations. We all know the constraints on our time away from the House. Therefore I fully respect the member's intervention.

I do not think there is a point of order. We are engaging in debate. I will return to the debate on the motion of the official opposition.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I appreciate your comments.

Like everyone speaking today, I am honoured to address this motion. I clearly do not support the motion because referencing only Quebec narrows its scope. When the intent behind the motion is applied more appropriately to all provinces then of course I would support such an action.

At the end of my speech I will amend the motion so that it refers to the powers of all the provinces. Given they should all be treated equally, we must ensure motions such as these reflect that.

The motion proposed by my hon. colleague allows us to address some of the points made in the recent so–called employment insurance reforms. We believe the government intends to prorogue the House but in doing so may try to manipulate House procedure to ensure this legislation does not die on the Order Paper. Tabling the bill so close to Christmas break demonstrates that the government either does not expect to give it second reading until next February or that it hopes the bill will die on the Order Paper. Either way, tabling the bill as it has amounts to nothing more than irresponsible governance.

• (1130)

I will first address some of the amendments to employment insurance and then will focus on the government's failure to transfer powers to the provinces for labour market training. In its throne speech on January 18, 1994, the government stated that Canada's social security system must be responsive to the economic and social realities of the 1990s. This was a noble sentiment and we agree with it. However, the government also said in the throne speech that it would announce an action plan for major reform of the social security system to be completed within two years.

The minister's announcement is not major reform of the social security system and it barely qualifies as reform of the unemployment insurance system. I say this because the minister's tinkering will not create a single sustainable job.

Let us take a closer look at some of the changes. This is cosmetic change, not the kind of real governmental changes that Canadians are demanding. It is a name change; unemployment insurance is now employment insurance. Do we think that Canada's unemployed care about what the program is called? Unemployment by any other name is unemployment. It is this kind of rhetorical grandstanding of which Canadians have grown weary. Changing the name of UI to EI will not create a single sustainable job in Canada.

There is a rollback of payroll taxes of five cents for every $100. This is a tax rollback of one–twentieth of one per cent. This amounts to a savings akin to a wooden nickel. It is hard to imagine this so–called tax cut will create a single sustainable job in Canada.

The minister wants Canadians to think he has rolled taxes back but let us look at what is really going on. Part time workers will now have to pay the UI payroll tax which includes employer and employee shares totalling a 7 per cent tax hike. When eligibility is changed from weeks to hours, the government is imposing a tax grab on part time workers, a tax grab of over $1 billion.

This means youth in Canada and working moms, many of them single parents, will have to foot the bill. Youth and working mothers will have to work many hours to be eligible for benefits. While they are accumulating benefits the minister will be sure to tax their paycheques. The big problem with this is the lengthy period of eligibility. It is often the case, as it is with the nature of part time work, that the contributors will move from job to job with short periods of unemployment in between. This means youth and working moms will pay benefits and seldom will be able to collect. This amounts to a substantial tax grab on a segment of society which can least afford it.

The government has no estimates of how many jobs will be lost because of it. It does not know how many jobs will be lost because it has failed to do a thorough analysis of this aspect of the bill.

According to statistics ending in October of this year, youth unemployment in Canada stands at 15.6 per cent. We needed to hear yesterday and today some ideas on how to get our youth into meaningful work situations. Instead of positive change we have learned that today's proposals will cause employers to hire fewer part time workers because a tax is effectively imposed on the hiring of part time employees.

Let me restate this point. Part time workers now represent a massive tax hike on employers. This will not create a single sustainable job. In fact this change may choke off part time work altogether. This is especially disturbing when one considers that a growing percentage of the labour force is employed part time.

The minister announced an $800 million job training program. The auditor general's recent report indicated that these expensive and wasteful schemes do not create jobs. He criticized the Western Economic Diversification Program, ACOA in the Atlantic provinces and FORD–Q in Quebec. We all know what a colossal failure the TAGS program has been. The

government admits the $6 billion infrastructure program created only a few thousand short term jobs.

• (1135)

Perhaps what is most disturbing about this announcement and more specifically related to the motion we are debating today relates to labour market training. It is clear from the government's package that the Prime Minister broke faith with Canadians when he announced he was giving labour market training to the provinces.

The minister is trying to sneak through the back door a new made in Ottawa social program scheme which will intrude on provincial jurisdiction. He has created two mega programs and for all these new programs all the provinces must reach agreement with the federal government. The Liberal government needs to give power and resources to the provinces with no strings attached. If not, then the gesture is meaningless. The government simply does not understand what decentralization means.

Let us move on now to decentralization, an issue that has garnered significant attention of late, especially given that the EI changes break the Prime Minister's Verdun commitment which he reiterated on Tuesday last week.

It is ironic that we debate the government's broken promise of decentralizing manpower training today. Today at committee we will hear the bureaucrats explain to us how Bill C–96 also fails to decentralize powers. In fact, the bill may even create new powers for the federal government. Even if this new power never manifests itself, the bill at a minimum entrenches the status quo of federal intervention into provincial areas of social policy jurisdiction, areas I am sad to say for which the new EI bill fails to relinquish power.

I find it quixotic, though I suppose not entirely uncharacteristic, that the government would try to enact legislation which engenders and champions the notion of centralization and the status quo. To do so amidst the decentralization forces pressuring the country to change is profoundly absurd.

Recent events have shown to all that fundamental change is required of our federation. There is almost universal agreement that the federal government needs to rethink its current role as provider of services and programs. In areas of social policy we cannot continue to support a system which separates the revenue raising capacity from the expenditure function. In other areas too there is strong evidence to support devolution to the most logical level of government.

In October the Reform Party released its vision for a new confederation. Reform believes that decentralization will permit future governments to respond more effectively to the needs of ordinary Canadians. It also addresses many of the historic concerns of individuals from all provinces.

Reform's plan includes giving provinces exclusive control over natural resources, job training, municipal affairs, housing, tourism, sports and recreation. It gives the provinces control over setting their own interprovincial standards for health, welfare and education, replacing federal cash transfers with tax points, and allowing provinces to raise their own taxes to finance social programs.

This decentralization will lead to a more balanced federation, one in which Ottawa will play a co–operative role rather than a dominating role. The proposals outlined in the new confederation speak to the long term. They furnish Canada with a vision. They put flesh on the conceptual bones of a new federalism. This is the kind of leadership that has been conspicuously absent from the current government benches.

How can one govern without a coherent direction? It is incomprehensible. I am not talking about prescience here, but about the courage to say: "These are my ideas; this is my vision". We have seen none of that from the government.

The traditional response to fiscal crisis has been centralization, consolidation and concentration. This instinct increasingly leads to failure. Centralized control and consolidated agencies create more waste, not less. There are many reasons that Reform speaks for this vision of decentralization and they will be outlined.

Decentralization will engender greater flexibility allowing institutions to respond more quickly to changing circumstances and client needs. Decentralization will create more effective program and service delivery, as the deliverers and providers of government assistance are closer to those they serve.

Decentralization will reduce waste, overlap and duplication created by concurrent jurisdictions and poorly co–ordinated government programs and services. Decentralization will engender greater fiscal responsibility, for a government that spends the money it raises will inherently be more accountable than one that spends the money someone else collects.

• (1140)

Decentralization in regard to the tax system is most compatible with the tenets of federalism. The efforts of a federal form of government is local autonomy. In its designated spheres, each unit is free to exercise its policy discretion unencumbered.

It is important to remember in this debate on labour market training that decentralization is neither a celebrated buzzword nor a passing political fad. It is a policy movement that has been vigorously championed in Canada since the 1960s. It represents reconfiguring the locus of attention in the federation.

Former B.C. Liberal Party leader Gordon Gibson writes in his new book: "Canadians ultimately want less control by Ottawa and more local management of their affairs. The basic concept here is government closer to home. Now home is where the heart is in our private lives perhaps, but in government terms, home is where the folks have the knowledge and resources to do the job. That single thought takes us a long way".

Adhering to the rule of thumb that the responsibility for addressing problems should lie with the lowest level of government possible does not require that we disavow the notion of federal leadership. A federal government with fewer employees, fewer departments and smaller budgets can still have a steering role in Canadian society. There would still be a policy framework setting function in certain areas even if no services were delivered.

These would include policy areas that transcend the capacities of state and local governments such as international trade, macroeconomic policy and much environmental and regulatory policy; social insurance programs like employment compensation where paying equal benefits to all citizens requires that rich and poor share differentiated burdens; and investments that are so costly that they require tax increases which might discourage business from locating or staying in a city or province. These are fundamental to leadership and to federalism at the central government level.

Even in these cases Reform believes that programs can be designed to allow for significant flexibility at the provincial or municipal level. The federal government can and must work with provincial governments to define jointly the mission and the outcome, but in doing so it must free lower governments to achieve those outcomes as they see fit.

Today we see that British Columbia is to be penalized to the tune of $47 million for trying to do just that. What has been the Liberal response to decentralization?

Mr. Bevilacqua: Breaking the law.

Mrs. Brown (Calgary Southeast): Decentralization is not about breaking the law with all due respect to my hon. colleague on the other side of the House. The government has resisted the natural ebb and flow of this federation by operating completely oblivious to its surroundings.

We saw this in the recent referendum. The government grossly miscalculated by adhering to a status quo position. Only when it became obvious that its policy was a complete failure did it move to make insincere promises of change. Now where is this change? Where is this vision for a new federation, a new federalism? Where is the blueprint for a renewed Canada? Where is the leadership to bring forward such a plan, given this government's previous attempts at major change? I would suggest that we will be waiting a long time before we see substantive and meaningful change.

Let me give one example of how this government is failing to deliver on its promises to reform and decentralize social programs. Consider the current welfare issue in British Columbia. I wanted to come back to that in my text because it is extremely significant today. When the province made changes to its own program by stipulating a residency requirement for welfare qualification, the federal government stepped in, and it has indeed stepped in, in a punitive fashion today, and threatened the province. Yesterday the artificial deadline passed in B.C. and we now see the results of what has happened.

There is no question that the B.C. government should be permitted to administer its affairs without federal interference. The minister, rather than taking such punitive action against the province should back off and leave it free to run its own programs. It is absurd for the minister, who has radically reduced transfers to the provinces, to turn around and intervene in provincial jurisdictions.

The minister continues to refuse to meet with the provinces over the Canada health and social transfer. Now when the provinces try to move forward, he stands in their way. Go figure. It would seem this is the Liberal position on co–operative federalism. How terribly predictable. How truly unfortunate. How really "made in Ottawa" it is.

• (1145)

During our briefings on Bills C–111 and C–112 we were provided with a briefing package on the changes these bills provide. At every twist and turn and at every reference to labour market training it is very clear that the provinces must negotiate with the government. They must seek to enter into a formal agreement with the federal government on how employment insurance benefits will work and how they will be delivered. Instead of giving complete power and adequate resources to the provinces, these amendments give a de facto veto to the federal government over the management and control of manpower training programs.

Ironically, the Liberal government is holding on for dear life to programs it has proven it is absolutely incapable of managing properly.

Just two weeks ago the auditor general stated in his report that there are grounds for concern that a lack of training in key areas may be producing a braking effect on jobs for the unemployed when the economy is expanding. Clearly, Canada's auditor general believes that the Liberal government is failing in its attempt to create those long term sustainable jobs, jobs, jobs we keep hearing about from the other side of the House. In fact, one may conclude from his comments that the government is actually hindering job creation, not helping it.

The minister's changes amount to mere tinkering, not a sweeping and comprehensive reform. What we need are systemic reforms that address the needs of the chronically unemployed, which was what UI in 1940 was intended to do. It was to provide a bridge for short term unemployment, not the massive social safety net we now see.

I would like to share briefly with the House three options for change the minister did not address. Two of the options involve decentralizing power for training programs to the lowest level of government: directly to the individual. Our options for relinquishing control to individuals are motivated by the desire for individuals to care for themselves when they are capable of doing so. That is absolutely fundamental to the Reform ideology of individuals accepting responsibility to take care of themselves when they are able to do so. That is not too difficult to understand.

However, the government wants to maintain control over training because it is a traditional political activity to maintain visibility in the area of employment and job creation. After all, the election is only two years down the road, and we want to be visible out there. Boy, we went out there and created those jobs, jobs, jobs. Are we not good?

The first option to be considered is that employment insurance could be returned to a true insurance plan, as it was originally intended to be when it was created in the 1940s. This would mean doing away with regional inequities in the program and ensuring that only those who truly need benefits receive them.

The system has become an income supplement. Income supplement does not, in my definition, translate to insurance. We believe there is a need and place for income supplements, but they should not be in UI or EI or whatever it is called. UI was meant to provide workers with temporary assistance for brief periods of time when they were between jobs.

The second option would be for individuals to change how they contribute to unemployment insurance. They could contribute to registered employment savings trusts, or REST accounts. These accounts would be mandatory and would be used at the discretion of the individual. As many people never use UI, it is only a tax with no benefit. With a REST account, similar to RRSPs, if the funds are not used the money could be directed into their super–RRSP accounts. This idea is not without its problems; I acknowledge that. The period of transition would be difficult and youth and the intermittently employed may find the plan difficult to manage.

A third option for the government is to drastically slim down EI, return it to a true insurance plan, and at the same time have individuals contribute to REST accounts. These things would happen together. This plan would ensure that the chronically unemployed are cared for and that those people who are seldom unemployed would be able to administer their own employment insurance program. They would not be taxed.

These are three options we are developing. We hope that in the new year we will be able to finalize our research and bring our plan forward to Reform's general assembly in June, where the membership, the people, can debate and come to a final decision on this important policy plank.

• (1150)

Having proposed options for decentralizing training, and after having demonstrated yet again how badly the Liberal government has broken its promise to transfer labour market training, I move:

> That all the words after "prevents" be deleted and replaced with the words "the governments of all the provinces of Canada from adopting a true labour market training policy of their own".

The Acting Speaker (Mr. Kilger): On the proposed amendment to the official opposition motion moved by the hon. member for Calgary Southeast, I will take it under advisement and the Chair will respond to this matter in the shortest time possible and get back to the House.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I appreciate the comments made by the hon. member from the Reform Party, the human resources development critic. At a time of constant change in our society, we welcome the meeting of minds and any exchanges that can take place between legislators and other individuals who are willing to propose new ideas. Although I may not agree with the concept prescribed by the hon. member, I certainly congratulate her on making at least the effort to come up with a new employment insurance plan.

I have some fundamental questions in relation to a couple of points. One deals with the issue of federal–provincial relations, which is preoccupying the minds of the Reform Party members and of course the Bloc Quebecois as well. Other questions relate to the employment insurance package as it relates to small business.

On the issue of decentralization of federal–provincial relations, members of Parliament who have followed this file attentively would probably find that the federal government has made many efforts with all the provincial governments to come up with a plan of action that speaks to the reality of the various provinces. As a matter of fact, the Minister of Human Resources Development has met with many of his counterparts. Part and parcel of this employment insurance legislation speaks to the fact that when we are talking about the tools, namely the self–employment assistance, the skills and loan grants, the top–ups in earnings, the federal government is co–operating with the provinces.

Second, on the definition of decentralization, local empowerment, and the redefinition of the relationship among the individual, the community, and government, it is clear to me that if we are to give vouchers or give the opportunity to an individual to make up his or her choice, that is the ultimate form of decentralization. It speaks to the confidence the federal government has in the people of Canada.

• (1155)

We believe the people of Canada can make the best choices for their own lives. They understand that in a changing economy they need to upgrade their skills, they need training opportunities, they need the types of vehicles that will ease their transition from the unemployment rolls on to the payrolls.

The issue of job creation is extremely important for the people of Canada. As a result of the measures taken in this bill, 100,000 to 150,000 jobs will be created. Who will create them? Small business, which is responsible for the creation of 85 per cent to 90 per cent of all new jobs.

What have we done to enhance the opportunities for small business? We have lowered the premiums. The hon. member from the Reform Party says it is only a nickel. If the hon. member were to calculate the reduction that occurs, not only to premium rates, and include the fact that maximum insurable earnings have gone down from $43,000 to $39,000, business also incurs that saving.

Equally important in this discussion is that it is not only business that gets the tax break, it is also individual Canadians who pay into the fund. That is a very important point to underline.

We believe in building a strong entrepreneurial spirit. I think our actions speak to that. One of the five tools we have outlined in the human resources investment fund is the self–employment assistance program. Since we formed the government, 34,000 people have participated in this program, creating 60,000 jobs. That speaks to job creation and it also speaks to empowering people and giving people the opportunity that is required.

How else is small business being helped? The five tools will enhance the human resources potential of our country, which means we are going to have a better skilled workforce. A better skilled workforce means we can set as a goal high paying, highly skilled jobs that produce high value added products. That is extremely important to underline as we modernize our economy.

When we talk about modernization, what about the new labour market information system that is going to connect business and people from coast to coast to coast so we may match people and also reduce the time people spend on the unemployment rolls of our country?

These are extremely positive measures, not to mention what we have learned from the past government's error in reference to reserves. By building up a higher reserve we are going to make sure that the next time there is a recession, hopefully not for a long time, or the next time there is a downturn in the Canadian economy, we will not be taxing small business and employees at a time when they need tax relief. This reserve will make that transition from economic downturns to better economic times a lot easier.

This will create stability in the premium rates. It will create jobs. It will create confidence. It will generate the type of confidence that is required so employment opportunities can be increased.

I would ask a simple question to the hon. member. In the employment insurance package the Reform Party introduced to the media a few months ago there are some fundamental flaws. One flaw is that it excludes more people than it includes, unlike our package, which brings in 500,000 people, including 44,500 seasonal workers who were excluded by the old unemployment insurance package. Why does the Reform Party, whether it is on the pension reform package or the employment insurance package, continue to practise the politics of exclusion?

• (1200)

Mrs. Brown (Calgary Southeast): Mr. Speaker, I thank the hon. member for his question.

I concur that this is a welcome meeting of the minds. We can have reasoned debate. We can come to the House of Commons and feel secure in knowing that at least our ideas will be received and debated in an atmosphere of collegiality, understanding that we come to this place with differing ideologies.

The simplest answer to the hon. member's question when it comes to differing ideologies and how we understand and view the unemployment insurance system is that there is no doubt in the minds of the Reform Party that the unemployment insurance system is a fundamental labour market institution as it was developed in the 1940s. When it was developed in the 1940s it was for a specific reason: temporary assistance as an individual moved between jobs. It was not as it has now become, "a cornerstone of Canada's social safety net".

If we look at it in those terms it is coming at the question from two very different points of view. On the one hand we would like to see it as part of and included in the labour market as a tool. On the other hand it has become part and parcel of the fabric of social support in Canada. I do not quite know where a meeting of the minds would find agreement. We could see where each of us is going, based on our belief systems, on what we believe to be right.

Another comment with respect to the question of differing ideologies is from something which appeared on page 20 of the briefing notes we were given the other day. It comes back to the question he asked. I question the political motivation behind the part of the proposal dealing with employment benefits and services.

The federal government is now committing to work in concert with each province. The alarm bells start to sound when we start thinking about each province. The hon. member talked about inclusion and the same kinds of support across the country. Yet in my mind it will obviously be different because each province is invited to enter into agreements.

For the decentralization the hon. member has described, it tells me there will probably be a different set of circumstances for each province given its particular debt, deficit and unemployment situation. This will include the agreements. That is why I say there could be quite a difference when we are talking about federal–provincial alignment.

The design of the employment benefits and measures, how they will be implemented and a framework for evaluating the results tell me there will be consistency across the country. It just opens a social safety net to all kinds of expectations that perhaps the government has not thought about.

With respect to the member's comment about growth and small business in the country, there is no question that small business generates lots of jobs.

The Acting Speaker (Mr. Kilger): I ask the member to summarize in the next minute or two, if she could, so that we could resume the debate.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I have one more point with respect to building up the reserve. I will move away from the small business comments I wanted to make.

Regarding the surplus in UI, I maintain the finance minister will probably do some very creative accounting with that surplus. He will reach his 3 per cent of GDP in the next budget and it will be on the backs of taxpayers in a UI surplus. Our growth rate right now, as was just reported, has moved from 4.2 per cent to 2.3 per cent. No one can tell me our economy is going anywhere. We have not created a single sustainable job since the government came to power.

• (1205)

The Acting Speaker (Mr. Kilger): Before we resume debate I will return to the matter raised by the hon. member for Calgary Southeast in her intervention about another member on the government side referring to a member of the official opposition, the Bloc Quebecois, not being present in her seat. I told the hon. member at that time that I would review the blues.

I have the blues before me and a reference was made by a government member that first of all she leaves. The member for Calgary Southeast was entirely right that it occurred. Second and most important it goes against the convention of the House to make any reference to the absence of any member at any one time from the Chamber.

I know other members such as the member for Lévis, and I believe someone on the government side, wished to rise on the point. I will consider the matter closed now that it has been raised correctly by the member for Calgary Southeast. I thank her for her intervention and the matter is closed.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I am pleased to rise in support of the motion put forward by the hon. member for Mercier.

Before going any further, I would like to thank the member for Calgary Southeast for her vigilance, her attention and especially for having raised the matter. I appreciate the intention, because the member for Mercier does make a great contribution, she is indeed very active in the House. I think the remarks in question were inappropriate.

The debate is on a motion which reads as follows:

> That this House condemn the government for choosing to reform unemployment insurance in a way that maintains overlap and duplication in the manpower sector and thus prevents the Government of Quebec from adopting a true manpower development policy of its own.

I listened to the arguments by the member for Calgary Southeast on the amendment she is proposing. I shall reserve my comments on it for the moment, but I would like to thank her for paying attention. Her remarks indicate that other provinces would also like to take charge of manpower training within their borders.

However, after touring the country with the Standing Committee on Human Resources Development last year, I felt that some provinces, such as the Atlantic provinces, were not as keen, perhaps not fuelled by the same desire. They wanted the federal government to remain very visible in this area, because they felt that their province may be experiencing economic difficulties in this regard.

I simply want to say that the amendment proposed by the member for Calgary Southeast would not be easy to implement because there does not appear to be a consensus, unlike in Quebec. This has been shown very clearly. I will tell the member for Calgary Southeast this: I will discuss it in my speech, I will recall the historical background of this claim by Quebec and the reason it is so important to us.

To us, manpower training means education. Under Canada's Constitution, education is a provincial matter. This is particularly important to Quebec, because education is also a cultural

concept, very close to our culture. It is a treasure to the people of Quebec.

All those involved in this area agree. I would point out that, yesterday, the Quebec National Assembly passed a motion to once again remind the federal government of its position. When I speak of the Quebec National Assembly, I am not talking just about the members of the Parti Quebecois, but also about the members of the Quebec Liberal Party.

Yesterday's motion was passed by a vote of 96 in favour, none against and no abstentions. It was therefore passed unanimously.

• (1210)

What does this resolution say? It says:

"That Quebec must have sole responsibility for policies pertaining to manpower adjustment and occupational training within its borders and patriate accordingly the funding allocated by the federal government to these programs in Quebec; "Within the current constitutional framework and in order to improve services to customers, Quebec must take over the control and management of various services pertaining to employment and manpower development and all programs that may be funded through the Unemployment Insurance Fund within Quebec's borders, and must therefore receive the funding appropriate to such responsibilities;

"The Government of Quebec and representatives of business, labour and the co–operative sector agree to oppose any initiative by the federal government that would constitute an invasion of Quebec's prerogatives".

Therefore, it asks the government and the Minister of Employment to immediately undertake formal discussions with the federal government in order to ensure the respect of the consensus and the promotion of the interests of the Quebec people.

I stress that this motion was adopted unanimously.

A while ago, after I shook my head at something he said, the minister introduced a historical dimension to the debate. I had mentioned 1941 a bit earlier when answering a colleague's question. I must make a correction, I was wrong by one year. The constitutional amendment enabling the federal government to set up and run the unemployment insurance program was passed on July 10, 1940. It was the British Parliament—as you know, we had to ask permission—which amended section 91 of the British North America Act, making it possible for the federal government to set up the unemployment insurance program.

It would be useful at this point to summarize Quebec's claims. Stakeholders in the labour market have recognized unanimously the need to patriate to Quebec all responsibilities and federal funding in the area of manpower training. The Liberal Party and the Parti quebecois are in agreement on this.

It is also worth recalling that, in 1991, the former minister in charge of manpower, income security and manpower training claimed, in a policy statement from the Government of Quebec about manpower development: "For many years, Quebec has claimed control over policy instruments affecting the work market. In other words, the Government of Quebec and its economic partners want laws, budgets, institutions, programs and services concerning manpower or the operation of the work market to come under a single authority. Partners on the Quebec work market are almost unanimous in recognizing that manpower policies must be prepared by authorities as close as possible to the various work markets".

This request for devolution of manpower training goes back a long way. In 1989, the job forum was a critical step in the advancement of this cause. This is when the job market partners, that is labour, management and government, agreed to ask that Ottawa hand over full responsibility for manpower training.

With such a consensus, the Government of Quebec officially requested, in December 1990, that any federal moneys for manpower programs be handed over to Quebec, including money from the unemployment insurance fund used for that purpose. In December 1990, the Liberal Party was in office, not the Parti Quebecois, and Robert Bourassa was premier. The Liberal Party of Quebec claimed exclusive jurisdiction not only over manpower training, but also over other aspects of manpower development, such as placement, employment assistance, job creation support, etc.

• (1215)

To back up this demand, the Quebec government created the Société québécoise de développement de la main–d'oeuvre, or SQDM, which was to serve as a link between all labour market stakeholders and to manage all manpower development programs in Quebec.

The Quebec Liberal Party went even further, asking for an administrative agreement allowing Quebec to manage the unemployment insurance program within the province. It was asking for a return to the pre–1840 situation. Quebec wanted to be given jurisdiction in this area.

Otherwise, the federal government would have to maintain a rather cumbersome administrative structure in Quebec. To make UI benefits and related services accessible to the Quebec people, a whole network would have to be maintained with all the inconveniences of this kind of duplication.

In concrete terms, this agreement would have resulted in the UI program running the SQDM.

This happened under the liberal government led by Robert Bourassa, a true blue federalist. Now, you will ask, what sort of problems is this situation creating in Quebec? At the same time, one must recognize that there is a problem with vocational training in Canada. In 1993, Canada was ranked 22nd out of 22 developed countries for on–the–job training.

According to available statistics, the federal network runs 27 training programs—the minister said 38 earlier—and the Quebec network 5. The federal government—which has started cutting down—operates close to 100 Canada Employment Centres in Quebec, while Quebec set up the SQDM to replace the former Commission de formation professionnelle.

The original mandate of the Société québécoise de la main–d'oeuvre was to work towards the creation of true single windows in every Quebec region. Today, it acts more as a mere manager of federal funds, without much of a say.

I would like to point out that in 1993–1994, transfer payments accounted for 56 per cent of the SQDM budget, or $150.7 million out of a total of $269.5 million, an accurate depiction, if ever there was one, of Ottawa's control over manpower. The lack of co–ordination between the two networks results in the unemployed being ill served by the various manpower training programs.

An internal memo of the federal government did reveal that in the spring of 1993—this is a federal memo, remember—nearly 25,000 unemployed people referred to a training program could not register for lack of available places.

The policy statement of minister Bourbeau described how two different manpower training networks could cause problems. It said: "We understand how hard it can be for an uninitiated person or business to find its way among the multiple service centres like the Canada Employment Centres, the offices of the Commission de formation professionelle de la main–d'oeuvre, Travail Québec centres, school boards, colleges, universities and the Department of Manpower, Income Security and Skills Development."

Minister Bourbeau, a liberal federalist, estimated at $275 million the cost of these overlaps and duplications in manpower training programs. The minister who said that was not a PQ member, not a BQ member, not a sovereignist, but a federalist.

Both governments agree that manpower training programs must change. In his discussion paper on improving social security in Canada, the Minister of Human Resources Development said: "Unfortunately, existing programs do not do this well enough. Too many people end up in programs that have little to do with their needs, aptitudes or opportunities. Many get training for jobs that do not exist locally. Many are shunted from one program to another. There are too many mismatched programs, with inconsistent rules and too much red tape. Programs offered by different levels of government are often not coordinated."

• (1220)

He felt the system had to change. The federal government is not alone in adding to the mess of manpower training programs. We must recognize that, at the time, there were too many manpower training programs. The present minister has merged a number of programs, but she is having problems because of the federal's ongoing presence and there is no sign of it withdrawing readily, given that it is currently introducing new measures. Yes, it says that these are not forced on the provinces, yet it will keep imposing guidelines. It intends to keep control.

The minister said a while ago, in his presentation, that we cannot do away with controls because certain provinces—not Quebec but others— had used the program's money to build public buildings. He feels this is enough to justify a permanent control by the federal government.

Basically, what he wants to do, what he would like to see is the provinces, Quebec included, manage the programs listed in his bill. He would like the provinces to do what he wants them to do. He is treating the provinces as mere pawns. For us in Quebec, this flies totally in the face of the established consensus.

I will quote someone else. The president of the Business Council on National Issues, Mr. Thomas d'Aquino, added his voice to the voices of those who recommend that the federal government hand over manpower training to the provinces as fast as possible. On October 28, 1994, Mr. d'Aquino said: "There is no doubt in my mind that decentralization in this area would be beneficial to the Canadian economy. The sooner the politicians come to an agreement on this question, the better".

Last year, members of the Standing Committee on Human Resources Development travelled across Canada. When the minister suggests that he is implementing recommendations made to the committee, let me say that I disagree with that. I travelled to all the provinces of this country and to all the larger cities of Canada with the Standing Committee on Human Resources Development—the parliamentary secretary knows that, he had to suffer the consequences. On some occasions, I admired his courage in facing those who opposed his reform. But when he tells us later that this is what Canadians want and wish, after what I have seen and heard, when I know that 75 to 80 per cent of briefs were against what the minister is now proposing, that is, cuts of some $2 billion in unemployment insurance, I know that is not what Canadians asked for.

People who came to testify before this committee said that what is missing today is work, job opportunities. They wished that the government would follow the policy outlined in its red book. The Liberal slogan during the last election campaign was even "Jobs, jobs, jobs". But we see that, in fact, there are not more jobs today. But worse still, the proposed changes will create two classes of unemployed.

As critic for training and youth, I see that a young person will now have to work 910 hours over 52 weeks in order to qualify for unemployment insurance. That represents 17.5 hours of work per week in one year, every single week, in order to qualify. Otherwise, he will not be eligible. He must accumulate this minimum number of hours. So, it is now twice as hard for newcomers on the labour market to qualify for unemployment insurance.

• (1225)

And what do they do to unemployment insurance? They create a fund and make it available to the provinces, and tell them: "You can help yourselves to some of it, but only under certain conditions because we want to keep control over it, or else we are going to take it away".

But this fund the minister mentioned is made up of money contributed by employers and employees. Why is the federal government messing with this fund when, as everybody knows, it has not contributed a single penny to unemployment insurance since 1991? It is not this government who did that, but the Conservative government. But now it is turning a profit with unemployment insurance and using part of this profit to provide manpower training in a field which comes under provincial jurisdiction.

This is what we are against and what we are condemning. There is a small opening here. We saw that the Quebec National Assembly, while establishing some parameters, is continuing to emphasize the Quebec consensus on the need to repatriate all the money spent by the federal government in manpower training, even UI funds, because the federal government would use that money to continue to multiply programs and to maintain duplication.

To conclude, I ask the government and the Minister of Human Resources Development to be on the lookout, to listen more carefully to what Quebecers want. He will see that Quebecers, not only the sovereignists, the members of the Bloc Quebecois or the Parti quebecois, but all Quebecers want the Quebec government to be in charge, to be responsible for its policy concerning manpower, training and all related services. I will conclude on that and I thank you for your attention.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I listened with great interest to the comments made not only by the hon. member but also by the critic who spoke before him.

What struck me is the lack of sensitivity to individual Quebecers, whether they live in Montreal, in my riding of Mount Royal, in Trois–Rivières, Quebec City, Chicoutimi, Lac–Saint–Jean, or anywhere else in Quebec, because these people who paid their UI premiums and now need assistance as they become jobless are entitled to these benefits.

All their actions and remarks point to this: they want the power to make decisions with Canada's money. As usual, they forget to tell the truth. In fact, for every dollar invested in Quebec by an individual in the labour force, this individual receives $1.33 when unemployed. They want to deprive every unemployed person of this 33 cents, which over time adds up to millions and millions of dollars. What a great policy.

They then completely overlook the fact that this change addresses realities in Quebec. Like other Canadians, Quebecers must adapt their skills, attitudes and abilities to the new society. They have completely forgotten this, and they want to forfeit a rather significant amount of money. We have injected over $4.2 billion into this program, but they have forgotten this and are unwilling to tell their constituents. I find this very interesting. You do not want to tell—

The Deputy Speaker: I would ask the hon. secretary of state to please always address her comments to the Chair.

• (1230)

Mrs. Finestone: Mr. Speaker, through you, I would like to ask my hon. colleague the following question: does he not want to spread the news that the Government of Canada is pumping $4.2 billion into the system instead of $4 billion, including more than $500,000 in measures for the unemployed?

Also, of the $800 million, $240 million would go to Quebec, for a total of $747 million in extra money, and he wants to take what away. Does he really want to deprive his constituents of that? My constituents want jobs, they want retraining, they want training, they want decent working conditions, they want wage subsidies and remuneration supplements.

Regarding women, does my hon. colleague want benefits for women or does he want to take away benefits that help ensure the financial independence of women? We are talking about individual insurable earnings and basic employment insurance benefits calculated on these earnings that go to the women and not to government, for governance, but to each working woman.

In addition, women who are currently holding more than one job or working part time at different places will immediately qualify, but the hon. member does not approve of this change. He does not want them to be recognized as part of this change and those in need of assistance, like low income families with children, many of which are headed by women, to be afforded protection under this reform. There will be family income supplements, but he does not want to recognize the fact that this may mean an increase of up to about 80 per cent in the basic amount for low income families. He does not want to recognize that fact.

Neither do Bloc members, in spite of the fact that they are taking steps for reasons of efficiency relating to their culture, want UI recipients to be able to supplement their income by earning $50 a week without seeing their benefits adversely affected. They do not want to recognize that maternity leave and parental leave allowances as well as sick benefits and temporary disability benefits are maintained and provide basic support to

Canadian workers and their families. They refuse to recognize the fact that the reform is actually helping women overcome barriers to employment as a result of reinvesting in targeted employment measures, daycare and income support.

I for one would like to know why the Bloc members, who were elected to this place to represent their constituents at the federal level, cannot and will not recognize that the proposals will have the effect of better protecting families, and women in particular, and why they are so intent on not giving the plain and simple facts to their constituents. Why do they not at least have the openness to say that, from now on, anyone who has received UI benefits or a maternity leave allowance in the past three years will have access to job search services? Why do they refuse to spread this good news? Could the hon. member give me an answer on that?

Mr. Dubé: Mr. Speaker, I want to make a comment before replying to the secretary of state for the status of women. For reasons of time, I cannot answer all of her questions. However, I want to make an observation. Most of the hon. member's comments had to do with the UI project, while today's debate is on a motion dealing with manpower training.

• (1235)

Through the Chair—since we must always comply with parliamentary rules—I want to provide some information to the secretary of state for the status of women, who asked specific questions.

Why will we, Quebecers and Bloc Quebecois members, not fulfil her wish to see Quebecers accept that the federal government go over the head of their provincial government to deal directly with individuals? That is what she said, they want to reach individual Canadians. The hon. member said that we are really turning this into a power struggle. This is what she is suggesting when she says: "You are turning this issue into a power struggle and, because of that, we, the federal government, have a problem adequately reaching individuals". Such a view truly reflects an attitude which still prevails and which has to do with reaching Quebecers, individually, in fields that come under Quebec's jurisdiction.

The hon. member sees this as a power struggle. Earlier, in my comments, I tried to show the adverse effects maintaining such duplication with have on these same individuals who want to get proper training.

At one time, there were 25,000 people in Quebec seeking vocational training but unable to get it, because sometimes one level of government would not have the required funds, or at other times it would be the other one. The funds allocated to a particular program had run out. There were some 30 federal programs, and approximately the same number of Quebec programs. Confused by all this overlap, the unfortunate individual was sometimes discouraged. Because they kept on trying, others obtained the information they required, but it was often too late because the funds had run out.

For example, people registering with employability enhancement centres might be asked if they were UI recipients. If they said: "No, I am on welfare", they would be told they did not qualify and should turn to the Quebec government or to Quebec funded agencies. The reverse was also possible for welfare recipients. It is always like that.

I am quite familiar with current federal programs, because I have been studying the issue thoroughly for the past two years, and I can say that only 15 per cent of welfare recipients benefit from federally developed or supervised activities. The same thing can be said about the province, and one must understand the reasons for that situation.

Since welfare benefits are paid by Quebec, even if 50 per cent of the funds come from the federal government, the province was well advised to create programs to help people qualify for UI benefits, which is what they did. When the federal government saw that they were qualifying for UI, it decided to put in place a program to allow them to retrain.

I have been in this House two years now and I know that some of my constituents have signed up for one program after another but are still unemployed because the system failed to meet their needs.

We are exposing that problem and we want it solved. According to the consensus reached in Quebec since the employment forum, only one government, the Quebec government, should have full responsibility for manpower training. That is what Quebec wants.

[*English*]

The Deputy Speaker: Before debate is resumed, I see the hon. member for Calgary Southeast in her place.

• (1240)

The Chair has been asked to rule on the validity of the amendment made earlier today by the hon. member for Calgary Southeast. Her amendment reads:

> That all the words be deleted after the word "prevents" and be replaced with the words "the governments of all the provinces of Canada from adopting a true labour market training policy of their own".

The motion of the official opposition reads:

[*Translation*]

> That this House condemn the government for choosing to reform unemployment insurance in a way that maintains overlap and duplication in the manpower sector and thus prevents the government of Quebec from adopting a true manpower development policy of its own.

[*English*]

Under the circumstances the Chair must rule the proposed amendment is not valid within our rules. Briefly, the reasons are that the amendment would change the nature of the debate significantly in two respects. First, the official opposition's motion focuses on Quebec only, as it is entitled to do, whereas the amendment enlarges the debate to all of the provinces.

Second, the official opposition's motion refers to manpower development policy whereas the amendment proposed by the member for Calgary Southeast refers to labour market training policy.

On page 257 of Beauchesne's sixth edition, citation 929 reads:

> On an allotted day, during consideration of the business of Supply, an amendment must not provide the basis for an entirely different debate than that proposed in the original motion. *Journals*, March 16, 1971, p. 416.

Accordingly, and with thanks to the member for Calgary Southeast for her submission, the Chair must rule the amendment is not receivable and not valid under our rules.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I will be splitting my time with the hon. member for Bonaventure—Îles–de–la–Madeleine.

When we debate in the House we often think about what the real people with real problems and real challenges are thinking as they see us exchange points of view. I wonder today what the unemployed Quebecer in Chicoutimi, Laval or Trois–Rivières would think about the motion brought forward by the hon. member for Mercier and the Bloc Quebecois.

What would the single mother think as she struggles to hold down two part time jobs, scared to death that her family will end up on the street? What would the older worker think who sees his job disappearing while all the new jobs required better skills? What would the small business owner think who wants to create jobs and hire new workers but cannot afford to compete with the UI economy? What would the young student think as she prepares to leave school and sees her older friends already collecting unemployment insurance for the third, fourth or fifth time at a very young age?

These people are looking for a decent chance at a good job with a good income. Instead the Bloc Quebecois has unfortunately resorted to this motion, a motion I believe has nothing to do with reality. It has nothing to do with the real challenges real people face in Quebec and outside of Quebec or with the real thrust of the employment insurance bill.

Instead, unfortunately the Bloc Quebecois wants to pick a fight. It wants to pick a fight where there is really nothing to fight about. Is the Bloc truly concerned about provincial jurisdiction over training? Perhaps it should listen to the Prime Minister, to the minister who wrote this bill. Bloc members must read the bill itself.

• (1245)

The federal government is saying loudly and clearly that we will do nothing in this area without the express consent of the provinces. We will get out of any activities that might be seen as interfering with provincial responsibilities.

Is the Bloc truly concerned about overlap and duplication? Then listen to what we are saying. We are saying loudly and clearly to the provinces that if you want to deliver the employment benefits under this new system, we can live with that. If you have your own programs that do the same thing, let us use your programs. If you want to find better ways to co–ordinate programs and get rid of overlap and duplication, then let us do it.

The minister has extended an open hand to Quebec, to all provinces by saying let us build a new and better partnership. Quebec was the very first province to respond and the response was yes, let us talk. The Quebec National Assembly passed a motion to enter into talks with the federal government on the very same day the legislation was tabled.

It is time that members of the Bloc Quebecois realized that time and reality have passed them by. Quite simply, the motion they have brought forward is out of date. It was made obsolete by the very bill they are trying to condemn. Let us stop. Canadians, whether they live in Quebec or outside Quebec, are tired of what really are imaginary battles.

What Canadians want us to do as responsible members of this Chamber is to get down and do the job that needs to be done. They want us to create a climate where people feel secure, a climate where jobs are created, where people are given opportunities and are empowered to make the best decisions possible for them, for their community and indeed for their nation.

As a federal member of Parliament, as a member of the Canadian government, I know we have made every effort possible to reach out to the provinces in the spirit of co–operation and goodwill. We have extended our hand to anyone who wants to sit down, to get together in a very meaningful partnership and implement the changes people are asking for.

I respect the hon. member for Lévis as a very hard working member of the human resources development committee. Of course, I do not share his point of view in reference to the issue of separation and many others. Now is not the time to throw up our arms; it is a time to roll up our sleeves.

There are people out there who depend on legislators to bring about positive change to their lives. It is for this reason that I get up in this House convinced that the employment insurance bill the government tabled is a very good bill. It is worth supporting and takes into consideration the very sensitivities that the Bloc Quebecois, the Reform Party and Canadians in general have brought forward during the debate on social security review.

What are we trying to achieve with the employment insurance bill? The employment insurance bill recognizes two fundamental things. One is that people during time of unemployment require income security. It is provided in the bill. It also recognizes the fact that there is a different economy out there. Long term unemployment since 1976 has tripled which speaks to the structural changes of unemployment.

People are staying unemployed for a longer period of time. Why is that? Because they do not have the skills required to get the new jobs. We need to have an active measure introduced which is referred to as a human resources investment fund.

• (1250)

The $800 million human resources investment fund has five tools which include a target income supplement, wage top–ups, skills and loans grants. There are job partnerships and self–employment assistance which has been working extremely well. There have been 68,000 jobs already created. We have lowered premiums to generate job creation which benefits not only small business but also individual Canadians. We have reduced the maximum insurable earnings which again reduces the premiums.

We have taken all those steps because we believe that the system needs changing. We are doing this also with a great deal of fairness.

Low income families will be able to get up to 80 per cent of their average earnings. The 500,000 people who were excluded from unemployment insurance are brought into the system. UI exhaustees who were shut out of the past system are now brought in if they have had an attachment to unemployment insurance in the past three years. Anyone who was receiving parental benefits over the past five years will be able to access one of the re–employment tools which means they will be given opportunities for re–employment.

Above all, we are not only modernizing the employment insurance system, but the net result of these measures through the various measures including a $300 million transition job fund will be the creation of over 100,000 new jobs for Canadians. We are doing this for the people of Canada who throughout the hearings told us that they wanted a system that would help Canadians get jobs, keep their jobs, a system that would help the most vulnerable and do it in a sustainable fashion. They too understood that the program as it is today could not be sustained when in 10 years it has gone from $8 billion to $20 billion.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, in his remarks, the parliamentary secretary talked about "real Canadians", and then about "real problems".

We on this side also feel we are talking about "real problems", and, in our mind, there is also such a thing as "real Quebecers", and not only Bloc members who are intent on paralysing the government. The parliamentary secretary himself read the resolution passed by the Quebec National Assembly. This resolution was supported and passed by all members. It was supported by the Parti Quebecois members on the government side and by members of the Liberal Party of Quebec as well.

Needless to say, the official opposition does not feel isolated on this side of the debate as he would have us believe by saying we are the only ones who do not want to co–operate and discuss solutions.

Let me put a few questions to the parliamentary secretary. Concerning the partnership he was talking about, what does the federal government intend to do about employability development organizations? I should point out that all of them have been advised that their mandate will be over on March 30. What will happen to them after that? After all, they are funded by the federal government. Could he outline the alternatives for me?

Time permitting, could he also tell me what will happen with the program for independent students? Funds for this program ran out a long time ago in many ridings. It is all very fine to have programs, but what good are they when there are no funds? What does the government intend to do between now and March 30 for those people who want to go on training? This is an existing program. What is in the way of the federal government keeping those programs alive until an agreement is reached?

• (1255)

[*English*]

Mr. Bevilacqua: Mr. Speaker, I thank the hon. member for Lévis for his question which deals with an interesting point. He is concerned about what is going to happen with training institutions and the independent studies.

The $800 million human resources investment fund that we have announced will target five areas. There will be agencies that will have to deliver this program. I also want to bring to the hon. member's attention, and I am sure it is good news he already knows about, the fact that it is not only $800 million. This will be added to a fund of $1.9 billion which means that we

as the federal government are investing approximately $2.7 billion on those five tools.

We are empowering individuals and local communities and provincial governments, if that may be the case. These programs will be delivered by organizations. Some of those organizations may be the organizations the hon. member correctly brought to the attention of the House.

We have to put this debate into its proper context. The federal government felt that the system which presently exists was not working, and the hon. member knows this because Canadians told us from coast to coast. There were far too many jobs and skills mismatched, which thereby also increased unemployment.

What is positive about our program is that it is better targeted. It collapses 39 programs into five. They are five tools that we know actually work because over the past two years we have done experiments and pilot projects with these five programs.

If we look at the self–employment assistance, 34,000 people participated and 68,000 jobs were created. If we look at the wage top–ups and earning supplements, these have also increased the duration that people stay on the jobs plus their income, which is something we need to address as a federal government. We need to provide people with job opportunities and also good jobs that increase income levels.

I conclude my response by turning 360 degrees to the hon. member's question on my earlier comments. As we debate this in the House of Commons, Canadians are faced with the challenges of an ever changing economy. I spoke about the young people, the older workers, the multiple job holder and the part time employees who under the present unemployment insurance program are being marginalized and excluded. We will find that Canadians will respond well to this employment insurance bill. It brings people into the fold. It provides greater income security and opportunities. It recognizes that in an ever changing economy we need to do things better. We need to target things better.

From a fairness point of view there is the fact that low income Canadians with dependents will get a top up which will make them reach approximately 80 per cent of their average earnings. There is the fact that people who were excluded or were UI exhaustees in the past three years will have access to the programs. The only thing they have now is to go on social assistance.

People who were on parental benefits in the past five years will also receive the opportunity to access one of the five pools of the human resources investment fund. That may be a very important bridge to the workplace, to get them back to work.

Overall the reactions I have heard today have been balanced. The small business sector is applauding this move because it basically reduces its tax burden. Small businesses really believe they are benefiting because through the employment insurance active measures they are actually going to have better human resources available.

• (1300)

At the federal level we want to co–operate fully with our provincial counterparts to ensure we are doing this together, in partnership. In the final analysis, the employment insurance bill tabled last Friday is really about bringing positive change to people's lives and improving their quality of life.

[*Translation*]

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I would like to thank and congratulate again the Parliamentary Secretary to the Minister of Human Resources Development.

As you know, we are getting into a rather important debate which concerns a very large majority of my constituents in Bonaventure—Îles–de–la–Madeleine. I feel very emotional because, as a member of Parliament, every day I am made aware of requests which are sent to me, to my office or to various offices providing services to our constituents. We try to find ways to create appropriate and durable jobs in my riding.

As for the motion the hon. member for Mercier put forward, we have the feeling that it was written before the minister introduced his bill here in the House.

I sense in this motion that they are not willing to really work with the Government of Canada, that to a certain extent they question the sincerity of the members on this side of the House, that they question how seriously the Canadian government wants to get Canadians and Quebecers back to work, especially people living in remote areas.

I want to tell you, mainly for the benefit of the population but also for the benefit of the hon. member for Mercier, who is the official opposition's critic for this department, that this piece of legislation is intended to limit and ultimately eliminate the well–known overlapping and duplication in the system.

Again, for the benefit of the members opposite and of the public at large, I want to say that the program has been designed in such a way as to harmonize the programs we have to create jobs and develop employment across Canada.

Besides, what are we trying to do? We are inviting the provinces, especially my province, Quebec, and its employment minister, Mrs. Harel, whom we have to call by her name today, to sit down with us in order to explore the opportunities provided to all Quebecers, businesses and the unemployed in particular, to create permanent and durable jobs, and to stimulate as well, of course, the economic recovery of our area.

Still, the minister spoke of five new conditions, five new programs, if you will, that are now provided for in the bill. We know very well that these five different kinds of benefits will surely help those truly in need.

I still go back to my region and I know full well that the people who work in the natural resources area, especially those who work part–time and in seasonal industries, are often penalized by the current system. The system we are proposing will right this wrong which has been going on for much too long.

• (1305)

I can give you some first–hand examples. In the Magdalen Islands, fisherman's helpers—this is just one example among many others—used to work and still work 10 weeks a year to qualify for 42 weeks of UI benefits. When the program was changed, they had to work 12 weeks to qualify for only 30 weeks of UI benefits. That meant 10 weeks without income for these fisherman's helpers who worked, might I add, not 35 hours a week, not 50 hours a week, but rather 70 hours a week on average. Such is the life of a fisherman's helper in the Magdalen Islands, in the Gaspé Peninsula and, of course, on the lower North Shore.

I can also give you similar examples of men and women who work long hours in the forest industry, throughout eastern Quebec and rural Quebec. Unfortunately, these people were penalized. The number of hours they worked was not taken into consideration. With the new system, we now know that 12 weeks of work equal 420 hours of work. But I can assure the House that these people, these fisherman's helpers in the Magdalen Islands, for example, work an average of 700 hours in 10 weeks.

These people will be able to qualify. The people will not go without benefits for 10 weeks, as we have seen these past two years. This is what the reform is all about. I think it is encouraging to see in this debate that both sides of the House recognize that seasonal workers do work hard and do put in countless hours of work.

Thus, companies will be better able to evaluate the efforts made by these workers in various areas. I can tell you of all kinds of examples, such as people who work in fish factories. I met a few of them in Pasbébiac, Gascons and ridings around Bonaventure—Îles–de–la–Madeleine who work close to 90 hours a week. That is substantial. Unfortunately, as we know, these people were not eligible because, depending on the species harvested in the summer, the fishing season is often restricted to 10 or 12 weeks.

So I believe we have corrected an iniquity that harmed the regions. Of course, the opposition is claiming that these cuts are unfair and wrong, while they mostly benefit people who earn no more than $40,000. Very few of my constituents earn $40,000 or more in seasonal jobs. Most of them are low–wage workers who did not have a chance to become educated or to find long–term jobs. Life is not always easy and the first thing that we have to acknowledge here today is that we want to help those who really need it.

I remarked to the hon. member for Mercier, the other day, that in her own constituency, there are female or male single parents with two or three children and an income of less than $26,000. They did not have certain opportunities. That is why we want to establish a program for the underprivileged who really need it.

There is no shame in telling to those who earn $55,000, $60,000 ou $70,000 in a few weeks or in a few months, in the worst cases, that they have to reimburse, in part or in full, the unemployment insurance benefits they received. That is fairness. That is justice. That is the main goal of federalism as we know it.

I heard some positive criticisms, but then I hear members of the Bloc Quebecois say: "We are not happy with the situation. We only want the federal government to transfer the whole amount directly to the province of Quebec and let it run the program altogether".

• (1310)

However, no one on that side spoke about the difficulties encountered by the people, the problems they have in finding a job, in getting training. No one ever mentioned the 40 per cent dropout rate in Quebec.

As members of the Canadian government, we believe in this decentralization, and I want to tell you, especially my good friend, the member for Kamouraska—Rivière–du–Loup, that the Canadian government, with the offices it already has, will now be able to work in co–operation with stakeholders, social and community leaders in all of the regions of Quebec and, of course, of Canada.

We are ready to design programs that accurately reflect the needs of our regions, of our employers, of our workers. That is what we want to do. We do not want, like the SQDM and its 12 service points, to establish programs in Quebec City, which will then be imposed upon my constituents. For our part, with our 90 service points and the others which will be developed very shortly in the province of Quebec, we will at last fill a real and urgent need, that is designing programs that will help create stable, durable and gainful employment. That is the main purpose of this bill, as set out by the federal government.

Unfortunately, my time has expired. There are surely a lot of questions. But I invite the opposition, and the public to review the information and to take advantage of the new programs, which are there for the people and not for civil servants.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I was much interested in what the member for Bonaventure—Îles-de-la-Madeleine said about the relevance of changing the system based on a number of weeks to one based on a number of hours.

He gave us the example of people who will probably benefit from this. However, the problem with this reform does not necessarily lie in the fact that the number of hours is changed.

Saying that someone will have to work 910 hours to qualify for UI benefits for the first time means that young people, those who re-enter the labour force and women who left it several years ago or worked at home will now have to work 26 weeks, 35 hours a week, to get UI benefits. The eligibility period has almost doubled.

There are aspects of the reform which are unacceptable and I hope the government will correct them. I will give another example which concerns the ridings of Bonaventure—Îles-de-la-Madeleine and Kamouraska—Rivière-du-Loup. I am talking about the fact that, under the new system, seasonal workers will lose part of their benefits. After three years, people who claim for UI benefits every year, such as workers in the tourist or fishing industry, will see their benefits reduced from 55 per cent to 50 per cent of their weekly insurable earnings. They are going to be penalized because they work in seasonal industries.

Now that the reform has been tabled, would it not be possible for the government to bring forward amendments to correct these things which will have a devastating effect on regions such as eastern Quebec?

My question to the member is this: What does he think about the fact that our young people might have to move out of our regions because of the increase in the number of hours it takes to be eligible for unemployment insurance?

Will the requirement to work 910 hours, which is the equivalent of 26 weeks at 35 hours a week, result in our young people leaving the regions in greater numbers?

I have another question that I want to ask of the member, reminding him that, yesterday, the National Assembly of Quebec also endorsed the current position of the government of that province by a 96 to 0 vote. It was a unanimous decision.

• (1315)

I would like to ask him if he would be willing to table in the House a motion which would read as follows: "Quebec must have sole responsibility for policies pertaining to manpower adjustment and occupational training within its borders and patriate accordingly the funding allocated by the federal government to these programs in Quebec". Would he be willing to table such a motion, which was adopted unanimously by the only Parliament representing Quebecers only, in order to settle the issue of manpower once and for all? Would he be prepared to ask the federal parliament to adopt such an approach?

Mr. Gagnon: Mr. Speaker, there are many questions I would like to answer.

First of all, we clearly show our confidence in Quebecers and in all other Canadians. I think that by giving each unemployed worker a certain amount of money, we give them the tools needed to create their own jobs by letting them decide which course best meets their needs. They can choose the courses suited to the new economy that is emerging in each region.

Decentralization directly involves these people, Quebecers. That is decentralization, and that is what the unemployed want. That is what we mean by change: giving people the appropriate programs, based on their own personal needs.

I also want to answer my colleague's second question, about young people fresh out of high school, professional training, college or university, that is to say all young people. When I graduated—and that was not too long ago—my first priority was to find a job. I would rather use examples from my own region. When a young person graduates, he or she seeks a job to gain experience, to show what he or she can do. This is why with the new in particular, programs like services Canada and youth internship, in particular, we will tell the young person this: "Listen, you have this much money, go to your employer and tell him that, with the support of the Canadian government, you can subsidize part of your salary, on the condition that he promises to keep you on staff for a certain period of time".

I think we are investing in Quebecers. For too long, we invested in the public service, in obsolete programs or programs that were not tailored to meet the real needs of the people. We listen to the people and to the unemployed but, unfortunately, this is not the case of the opposition.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the hon. member has spent a lot of time defending the government's unemployment scheme. There would not be any need for this debate if he would answer one simple question. Why does the government not return this program to its original mandate of being an insurance program, as it was in 1940 when it was started?

Liberal members defend this by saying that history says they are supposed to do all this and be involved in this area. That is not true. The original intent of this was to be a true insurance program. The government has strayed from this, which is why the Bloc is asking these questions. That is why the Bloc has these concerns. That is why many provinces have these concerns.

The member used the phrase "we are going to serve the needs of the people", and the hon. Minister of Human Resources Development in defending it said "we are going to reduce the risk".

The auditor general says this unemployment insurance program the way it is presently structured is increasing the risk. Why do the Liberals not do the proper thing and put it back to a true insurance program? They admit that by decreasing the premiums five cents they will create something like 20,000 jobs. I do not know how they know this, but that is what they say. If that is the case, why do they not put it back to a true insurance program and reduce the unemployment rate by 1.5 per cent to 3 per cent? That is hundreds of thousands of jobs.

• (1320)

It is totally inexcusable for the government to go off on all kinds of tangents and create more aspects for the program rather than do the right thing. I do not know how the hon. member could ever defend the fact that it is not becoming again a true insurance program.

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, the government does not have any intention of going back to 1941. The basis of this reform is to ensure we answer the needs, the requests, and the demands of the new economy, which is completely different from the economy of 1941. In 1941 we were in the middle of a war. It was a completely different context. We did not have the new economic realities. We did not have computers and fax machines and the rise of a new economic class. We did not have the fundamental changes that have taken place in the last five years.

We are trying to invest not in the government programs per se, or the fonctionnaires, but in younger Canadians, in middle aged Canadians, and in older Canadians. We are trying to define what they need. Often what they need is also what the new economy demands. This is why we have to adapt our programs. This is why we should invest in the individual. It is up to the individual.

If I am not mistaken, the Reform Party has always upheld individual rights more than anything else. We are now investing in individuals. We have faith in Canadians to make the correct choice in order to find the course that is tailored to their needs and to that of the new economy. That is why I ask the hon. member opposite to support the government in this courageous initiative.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am pleased to speak on this opposition motion which reads:

> That this House condemn the government for choosing to reform unemployment insurance in a way that maintains overlap and duplication in the manpower sector and thus prevents the government of Quebec from adopting a true manpower development policy of its own.

This opposition day follows on an historical event yesterday in the Quebec National Assembly, when all members present voted unanimously in favour of the following motion—96 in favour and no one against, a fairly rare occurrence in any Parliament:

> That the National Assembly reaffirm the consensus expressed in this House on December 13, 1990, on the occasion of the ministerial statement on manpower adjustment and occupational training, to the effect that:
>
> Quebec must have sole responsibility for policies pertaining to manpower adjustment and occupational training within its borders and patriate accordingly the funding allocated by the federal government to these programs in Quebec;
>
> Within the current constitutional framework and in order to improve services to customers—

All Quebec members of Parliament, whether Parti Quebecois, Quebec Liberals, Action démocratique du Québec, everyone in the Quebec assembly unanimously adopted this motion, stating that:

> —Quebec must take over the control and management of various services pertaining to employment and manpower development and all programs that may be funded through the Unemployment Insurance Fund within Quebec's borders and must therefore receive the funding appropriate to such responsibilities;

The members of the Quebec National Assembly did not say: "Let the federal government give money to the unemployed in voucher form so they can take Quebec courses under an agreement between the federal and the provincial governments". No, what they said was: "Turn all of the responsibility over to Quebec, and it will handle things". This statement was supported by both the sovereignist government party and the federalist opposition in Quebec.

• (1325)

They also stated:

> The Government of Quebec and representatives of business, labour and the co-operative sector agree to oppose any initiative by the federal government that would constitute an invasion of Quebec's prerogatives.

To find an example of this, one need look no further than clauses 61 and 59 of the bill, which show that, where no agreement is in place between the federal and provincial governments, the province will be penalized because the unemployed will not receive vouchers to purchase courses in Quebec. If this is not an invasion of our prerogatives, what is it? Is this not the kind of behaviour the federal government has been accused of for years?

The reform as presented is not what Quebec wants. The consensus against it, which we have voiced here on numerous occasions, took on a particular historical value with the National Assembly's motion of yesterday.

Let me read on:

> Therefore, it asks the government and the Minister of Employment to immediately undertake formal discussions with the federal government in order to ensure the respect of the consensus and the promotion of the interests of the Quebec people.

What the federalist members who supported this motion, including the Quebec Liberal Party members, said was not: "We must accept the planned reform as presented by the federal government". They said it was necessary to "immediately undertake formal discussions with the federal government in order to ensure the respect of the consensus and the promotion of the interests of the Quebec people".

This initiative by Quebec is therefore entirely legitimate. And if the present federal government is not listening, if it fails to change its reforms accordingly, it will be up against a wall. And as a result, it will again fail to deal with the problem.

Why is Quebec so keen on controlling this jurisdiction? Because as much as $500 million will be invested in five new employment measures. And by 2001 and 2002, it may be $750 million. These employment measures affect all of the areas over which Quebec has jurisdiction.

Canadian federalism is a very good example of inefficiency. Although Quebec is responsible for the Labour Code, occupational health and safety legislation and labour standards, the federal government will set up programs relating to wage subsidies and income supplements, a job creation fund, assistance for unemployed entrepreneurs, and a system of loans and bursaries. We will take a closer look at some of these to show the potential for conflict.

For instance, the job creation fund. If Quebec wants an active employment policy, it will have to adopt the federal government's development model. If the Quebec government feels that the federal model is not the one it wants, and if current reforms are supposed to promote manpower mobility and get people out of the resource regions when we in Quebec prefer to promote growth in our regions, we will be stuck with this model forever.

Another example is assistance for unemployed entrepreneurs, the program referred to as self–employment assistance. In Quebec the so–called Paillé plan was implemented. If Quebec wants to develop these measures, it will not be able to control them all, and we get a situation where people who receive self–employment assistance are not eligible under the Paillé plan. If they are on the Paillé plan, they do not get self–employment assistance. This creates situations in which young people who want to start a business have to knock on the doors of two governments. This reform will not resolve the situation.

My final example involves the loans and grants program. You may be sure that, in the medium term, the program, which is intended to provide grants to the unemployed looking for work will conflict with Quebec's loans and grants program for students outside the regular programs. We will start making comparisons, we will look at workers' behaviour to see whether they would not do better in a regular educational program than under the federal program. This will raise the level of the cacophony between the two governments.

This is why, I think, the wish of Quebecers expressed in the National Assembly may be readily understood.

• (1330)

Furthermore, after the consensus was reaffirmed over the fact that Quebec must be solely responsible for manpower adjustment policy, the minister of employment was told to discuss matters with her federal counterpart. She did so right away yesterday. She wrote the Minister of Human Resources Development to tell him she was ready to discuss matters within the context of the mandate given her by the National Assembly. The mandate is to promote the interests of the people of Quebec and ensure respect of the consensus that Quebec must take control in this area.

Why are we having such a hard time getting the federal government moving on this? When we toured Canada, last year, with the Standing Committee on Human Resources Development, we found in several circles that there was a willingness to take over, through decentralization, certain aspects such as manpower training. Why is it that the federal government has not yet moved in that direction?

The answer can be found in certain elements of the unemployment insurance reform. This reform adds to an already complex decision making process, thus assuring the bureaucrats running the national network that their empire will endure. The best way to perpetuate a bureaucracy is to make it more complex, thus justifying the existence of more assistants, more advisers, more this and more that, in the end making the product less accessible to the client they are supposed to serve.

If there is one thing the government can be blamed for, it is its inability to cut through this bureaucracy and do what the people really want. I think that the federal government was being called to order by the motion passed by the Quebec National Assembly. The National Assembly has put the federal government squarely in front of its responsibilities.

It must listen to the consensus conveyed by the Quebec National Assembly. I will stress that 96 voted for the motion, none voted against and none abstained. All the members present in the National Assembly supported this motion. I would ask the Quebec members on the government side this: Are you willing to move a similar motion giving Quebec sole responsibility for

policies pertaining to manpower adjustment and occupational training within its borders, and supporting the other proposals put forward? Are you listening to Quebecers as National Assembly members were?

Are you willing to take action in your caucus, in committee, so that this reform can provide any province with a real opportunity to opt out and set up its own program, to have a real employment development policy, and to opt out of existing manpower development programs. The array of federal and provincial labour development programs is the laughing stock of all public services, with their confusing names and objectives. These things have never been properly clarified.

The federal government claims it is making an effort, that we could agree on a set of rules. It is wondering why we on this side are not yet satisfied. It is because the federal government wants control over the guidelines. This means that, every time we want to change the way these programs are run, we must first negotiate a federal–provincial agreement, some kind of administrative agreement.

This is unacceptable, in my opinion. Before any administrative aspect is negotiated, there must be agreements on the substance of the issue, and the Quebec consensus on the need to transfer all federal budgets allocated to this sector and to repatriate control over and management of the various employment services must be recognized.

Quebec now faces a rather special situation. Because the federal government decided to maintain its network of employment centres, it is significantly reducing the number of points of service. This will result in fewer services being provided to unemployed individuals. These centres will serve a larger area than before. At the same time, another network set up by the Centre Travail Québec and the Société Québécoise de la main–d'oeuvre is also active in the field.

• (1335)

In the days before the referendum, this government told us: "Yes, we will take into account the fact that you are a distinct society. We will take into account the aspects that make Quebec different". However, after the referendum, we came back here and it was business as usual. It is always the same thing. The federal government claims to be able to do better than Quebec in the manpower sector. That view is not shared by anyone in Quebec, particularly in light of the results.

The auditor general once said that the federal government did not have adequate control over its employability support programs. These programs are not effective, as evidenced by the fact that one million Canadians are out of work. Yet, the government remains insensitive to this fact and cannot bring itself to giving Quebec exclusive jurisdiction over the manpower sector.

I am prepared to bet that, if the manpower sector was delegated to Quebec tomorrow, within about ten years there would be a significant change in attitude. Since the stakeholders would be closer to the field, Quebecers would benefit from a program better integrated with the education network. Ultimately, the existing gap between the number of available jobs and the number of available workers would be filled.

This is where our record is the worst; Canada has an international reputation with the OECD for performing very badly in this area, because we administer things at a distance, with no attention to local needs.

In closing, I would like to invite the federal government, particularly those members representing regions of Canada with economic and social objectives and realities that are different from those of the ridings close to Ottawa, to make their views heard in caucus. This will ensure that regions so desiring may be given the necessary tools for development, and the attitude that there is one mandatory national standard can be scrapped.

It would be heaven on earth if all we needed for automatic bottom–line results was to set standards. If that were the case, with all the standards we have in Canada all of our problems would be solved by now.

Essentially, the solution for Quebec lies in this consensus in the National Assembly, in which all of the parties agreed to the same thing: that Quebec be given control over the tools pertaining to manpower, even under the present federal arrangement. When we have this control, we will be able to get things done properly together. And we are asking our minister of employment—because she has been given the mandate, not only by her government but by the Parliament of Quebec as a whole in the National Assembly—to undertake formal discussions with the federal government aimed at ensuring that this consensus is respected and the interests of the people of Quebec promoted.

The government will be judged on whether it agrees to integrate this consensus into its reform. If it does so, it will have Quebecers' gratitude. If it does not, this will be proof once more that more than 50 per cent of Quebecers ought to have voted yes on October 30, to enable us to finally escape from this unwieldy system which benefits neither Quebec nor Canada.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I listen to what Bloc is telling us and what it is saying about the government's unemployment insurance program. I have a much more fundamental question that needs to be asked. Why is the Bloc not asking the government why it is not creating more jobs? We go on nattering about why one province does not

have more of this jurisdiction and we lose sight of the big picture.

It is totally unacceptable that we continue to debate these five points and we forget why the people in Canada in the last election tried to put in place a government they thought would create jobs.

• (1340)

For two years it has been going on and on and has not done a thing. Why is the Bloc not asking the government about some kind of job creation strategy. How many jobs are being created by this? How many jobs are being destroyed by the unemployment insurance program?

The auditor general has said the unemployment rate is one and a half per cent to three per cent higher than it should be because of what the government is doing. It does not make the changes. Why is the Bloc not targeting that problem?

Instead we go on about other things. We have some simple cosmetic changes that have been made like how many jobs does changing the name from unemployment to employment insurance create? Not one. In fact it destroys jobs because we now have to raise taxes. We have to do all these name changes on all the buildings, on all the letterhead and all this kind of thing. That extra tax will destroy more jobs.

We are not addressing the fundamental problem of why we have such a high unemployment rate. We are being taxed to death and the government is using the unemployment insurance system as simply another tax to run some of its favourite programs.

Those are the fundamental questions that should be asked. The Bloc should be asking those questions if it wants to claim to be official opposition in the House.

[*Translation*]

Mr. Crête: Mr. Speaker, first of all, I agree with some aspects of what the previous speaker said. Canadians have every right to criticize the present Liberal government because it was elected on a platform of jobs, jobs, jobs, but in the end it is just coasting. It creates jobs piecemeal, while just as many are being lost, so that net job creation is zero.

This government plays a lot with words, and I think that is significant. Instead of unemployment insurance it now talks about employment insurance, but for heaven's sake, the contents should match what it says on the label. There should be something to help evaluate the impact in terms of job creation and helping us to get out of this mess.

We in the Bloc Quebecois are concerned about job creation. We see in these reforms a lot of measures that will have a negative impact on job creation, including the fact that young people who come on the labour market and fail to accumulate 910 hours will remain dependent, will go back on welfare and will become part of the welfare cycle. This is wrong and lends further credence to the fact that this is a lost generation, and that, we cannot accept.

We in the Bloc Quebecois have a different perception of employment. We agree with the Reform Party in some respects. There is also a structural and organizational problem in Canada.

We have developed a system in which one government has the power to collect taxes and spend money in jurisdictions it does not know and does not control, and has developed a fantastic bureaucracy to be able to function. This has created a lot of public service jobs but today, at the operational level, we realize this no longer works. Yes, we have a problem with the plumbing. We will have to deal with a number of things, but we also have a problem with the architecture: I am referring to the fact that governments do not have clearcut jurisdictions.

From the federalist point of view, which I do not share, one could say it is entirely normal that in Canada international relations come under the jurisdiction of a federal Parliament. However, manpower is a not an area in which the federal government can be effective, and this is borne out by unemployment rates that are unacceptable, that are much too high and that show a significant spread. There are marked differences between the regions in central Canada and around the federal government, and more distant regions.

The maritimes, Quebec and other regions outside larger urban centres always seem to have higher unemployment rates than the metropolitan areas. The system puts the regions at a disadvantage, which means that young people must look for employment elsewhere. If we keep the 910–hour standard, you will see a large number of young people between the ages of 18 and 23 who may have managed to get summer jobs in their own regions but will have to leave to get jobs in the city, and we are just going to aggravate this exodus.

• (1345)

Yes, the Bloc is concerned about employment, but as far as the solutions are concerned, we think it is also a matter of the structure and management of manpower training and also the fact that it should be more closely related to the needs of the people concerned and integrated with our educational resources.

When we have a government like the one in Quebec that is responsible for the Labour Code, for occupational health and safety legislation and for labour standards, and we have another government that is going to introduce five measures dealing with issues such as wage subsidies and income supplements, this will further complicate the system. Someone somewhere in the Department of Human Resources Development will then be able to say he is an expert on something no one else understands.

This means he can justify his job, but this is not efficient, and in North America we can no longer afford to operate this way. If we want to be competitive on international markets, decision making must be brought as close as possible to the people. That

should be the government's objective. If the federal government does not adjust and act accordingly, it will be swept away.

[*English*]

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, things are becoming more and more curious as I listen to my colleagues from the Bloc and the Reform Party.

I listened to Bloc members saying they agree with Reform. Then I listened to Reform members asking why government is not creating more jobs. That sounds a lot like the NDP. Then when we have the Reform and the NDP voting together against the government on issues like gun control, voting against the veto power, perhaps there is a reason for the hon. member's confusion.

Speaking of confusion, I would like to touch again on a point of confusion my friend from the Bloc seems to have. He seems to be suffering from the same affliction as the member for Yorkton—Melville in that he thinks the government was elected on jobs, jobs, jobs. Again, there is probably confusion there given the close relationship between the former government, which did promise that, and the Bloc Quebecois whose members tend to be a lot of recycled Tories.

I am wondering about the comment the member from the Bloc made with regard to what should have happened. This is not a world of should have but a world of what has happened. The people of Quebec rejected what was put to them by the members of the Bloc Quebecois.

The member has made a strong statement that there is not going to be any agreement. I regret that because it seems the package put forward by the Minister of Human Resources Development goes a long way in allowing the federal government and the provincial government to work together to achieve exactly what we have been hearing from the member from the Bloc all year long. I encourage him and his party to co–operate with the government rather than destroy the country.

[*Translation*]

Mr. Crête: Mr. Speaker, when the government member expresses bewilderment at the opposition parties holding similar views on certain things, this may be the time to twig to the fact that, when you make campaign commitments, the decent thing to do is to honour them.

When you say you are going to create jobs, you are supposed to have corresponding policies. When you defeat a government like the former Conservative government by saying that its policies were unacceptable, you have to meet the commitments you made subsequently. The idea is not to win elections, but to carry out the mandates you have been given. That is the goal and what must be achieved.

There is a lesson for the government in this. For two years the Liberal government told us that there was no problem in Quebec. It told all Canadians: "There is no problem in Quebec, and if we do our job properly, the Quebec problem will disappear". But then they found themselves with 49.4 per cent of the people of Quebec saying yes to sovereignty. The Prime Minister acts as the middle man between Canadians and Quebecers. Canadians realized that he had lost touch with reality and should perhaps be removed so people could talk directly.

I think it important that the message be understood. Our objective should be effective government. On this point a number of parties could agree. Why could we not think ali Federalists should basically promote very broad decentralization if they really want this country to continue to function.

In any case, throughout the world today, the solution lies in small groups, which have the tools to develop and do so successfully, controlling the course they want to take and making their own choices.

• (1350)

[*English*]

Mr. Breitkreuz (Yorkton—Melville): Mr. Speaker, I rise on a point of order. A Liberal member misrepresented the position and the statement I was making. I made it absolutely clear that I was not expecting—

The Deputy Speaker: The hon. member is not making a point of order, he is getting into argument. He will have an opportunity in debate to deal with what has been said.

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I understand Liberal members have been splitting their time and I have been asked not to split my time. I will be using the full 20 minutes, plus the 10 minutes allotted for questions and comments.

I rise today with some reluctance to speak on this motion. I hope to have an opportunity to speak on the bill and on the many good points in the legislation. However, today we are debating the Bloc opposition motion condemning the government's employment insurance legislation for maintaining overlap and duplication in labour market training. I will try to confine my comments to that motion and to the aspects of the bill which relate to that motion. However, I would like to speak about the many good things the bill will do and I hope to have the opportunity to do so in the future.

If the hon. member and her colleagues in the Bloc had taken the time to give thorough consideration to the new employment insurance legislation they would see it does not maintain overlap and duplication in labour market training. After all, the Minister of Human Resources Development tabled the legislation only last Friday. It is a comprehensive document which deserves serious consideration by all members of the House.

[*Translation*]

The people of Quebec would be better served if the Bloc spent more time trying to understand this bill.

[*English*]

Instead they are conjuring up fallacies about its implementation.

To address the hon. member's motion directly, I suggest she refer to page 19 of the just published employment insurance guide. I know the hon. member has not seen this document. If she had she would not be wasting the valuable time of the House with this motion.

On page 19 of the guide, under employment benefits, the last paragraph of the first column states: "The legislation also proposes a new partnership with the provinces in order to eliminate duplication and encourage governments to work together to foster employment". It says the federal government will work in partnership with the provinces to eliminate duplication. That also means eliminating overlap; they are, after all, the same thing.

I do not know how much clearer the government can make it. It has been spelled out in the EI guide. I hope that by elaborating I can assist hon. members opposite, who still seem confused, to understand exactly what this means.

The labour market training initiatives under EI are not the one size fits all programming approach taken by previous governments. The federal government will work with each province individually, including the province of Quebec, because Quebecers are Canadians and are entitled to the same considerations under this legislation as are all citizens of the country.

We will work with each provincial government to help it deliver a federal program if it desires to do so or, and this is a key point, where a province is operating a program which will equally serve EI clients we will support that program. I do not know how much clearer I can make it for the members of the Bloc.

If the provincial government of Quebec agrees or if it has an employment initiative which meets the employment benefits criteria of this legislation, we are fully prepared to work with the Government of Quebec to use that initiative to help unemployed Quebecers get back to work as quickly as possible. The same thing applies in every province and territory of the country.

• (1355)

My colleague has already mentioned, but it bears repeating, that the good news is the Government of Quebec has passed a resolution that says it is willing to discuss labour market training with the federal government. Like my hon. colleague, I can assure members opposite the federal government welcomes this opportunity to work in partnership with the Quebec government for the benefit of Quebecers. The same philosophy will apply when the government is dealing with other provinces.

Atlantic Canadians are very concerned about the impact EI will have on their lives. We understand we cannot deal with Nova Scotia the same way we deal with Saskatchewan. I should know since my grandfather and my mother are from Saskatchewan. My grandfather was an MP from Saskatchewan and spoke often of its concerns. They are not the same problems, they are not the same situations as they are in Atlantic Canada.

We are all Canadians but there are different circumstances in the labour market and they call for different approaches in different parts of the country. That is the beauty of the employment benefit measures under EI. They provide for local decision making and ensure appropriate accountability in local areas. Also, they emphasize individual responsibility and self–reliance. All of these things are much needed in this area.

Media reports on this topic keep talking about cuts to UI as if that is all there is to this legislation. There is so much more. I look at this legislation as a Robin Hood response to a program badly in need of change and modernization. We are doing everything we can to maintain the benefits for those who need them most. We are helping out. We are providing a low income supplement for low income families with dependants so they will be better off in the future than they have been in the past. They will get more employment insurance than they would under the old UI system. They will get more now under this system.

We are aiming at those. It is true we are cutting from people who make $70,000 or $80,000 a year and collect UI on top of that. People in my riding have been telling us to do that for a long time. They have been saying people who make $60,000 a year cannot keep taking out $10,000 or $20,000 on top of that in UI year after year, and after only paying in a few hundred dollars. They cannot keep drawing out when they already have high incomes. They will have to learn to spread those high incomes over the full 12 months of the year. That is only fair.

People have been complaining in Atlantic Canada about that, in my riding certainly for a long time. We are hitting those people who really should not be taking UI every year, those with really high incomes. We are preserving it for those who need it most. That is a very important point. That is why I call this a kind of Robin Hood response to this problem.

The Speaker: Colleague, I think I caught you before your next sentence. That is what I wanted to do so I could take you back there right after question period. It being 2 p.m., we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

NATIONAL SAFE DRIVING WEEK

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, as mentioned yesterday by my colleague, the hon. member for London East, this is National Safe Driving Week.

As chairman of the House of Commons Standing Committee on Transport, I am mindful that last year over 40 per cent of automobile fatalities involved a drunk driver. That startling statistic underlies the theme of this year's National Safe Driving Week, the hidden face of impaired driving.

In addition to supporting public awareness campaigns, several provinces and territories are either currently implementing mandatory rehabilitation programs and administrative licence suspensions or plan to do so in the very near future. These measures will prohibit those charged with impaired driving from operating a motor vehicle while awaiting criminal court proceedings.

Through ongoing initiatives such as National Safe Driving Week and the strategy to reduce impaired driving I am confident we will reduce the level of drunkenness, death and injury on our roads.

* * *

[*Translation*]

AIR TRANSPORTATION

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, on October 30, the second largest Canadian carrier stopped flying from Montreal to overseas destinations. Canadian International has decided to concentrate its international operations in Toronto, thus depriving Montreal of a direct link to Rome.

It is inconceivable that a major carrier such as Canadian International could stop providing international flights from a city as big as Montreal. This situation shows how flawed the transport minister's international route allocation policy is. In fact, Air Canada offered to provide regular flights between Rome and Montreal. The minister's policy, however, prohibits designating a second carrier for this market.

Through his policy, the minister undermines Montreal's development and helps erode its traditional role as a Canadian transportation hub. The minister must stop putting Montreal at a disadvantage by changing his international route allocation policy and reviewing all routes already allocated.

[*English*]

DISTINCT SOCIETY MOTION

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, Canadians from sea to sea do not like the distinct society motion. A recent poll shows that only 37 per cent of Canadians outside Quebec support it.

Albertans rejected this notion in the Charlottetown accord. They reject any concept that promotes the inequality of citizens or provinces or gives special status to any province.

The arrogance shown by the Liberal Party during the referendum turned to panic and confusion when status quo federalism was rejected by nearly 50 per cent of Quebecers. The result is this ill–conceived motion. Surely the members opposite can see that this motion is ill–advised and it will further embitter and fracture this nation.

Why are the Liberal members from Alberta mute on this issue? Why do they not speak out on behalf of Albertans? Can they not persuade their colleagues and their leader of the miscalculation of this motion? Too much is at stake to be silent. Canadians should debate this issue fully and not get closed off in the House of Commons. No, nervous nellies in the government invoked closure and are ramming it through. They seem proud of it.

The people will speak. If they do not get a chance to speak now, they will speak later in Edmonton East at the ballot box in 1997.

* * *

[*Translation*]

TAXATION

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, after watching a report on Radio–Canada's program *Enjeux* last week, I was outraged by the extent of tax fraud in the trade of paintings and works of art.

I have a duty to urge the government to deal a major blow to tax evasion and to the tax shelters depriving federal coffers of millions of dollars in revenue.

We must axe bogus donations to museums by the wealthy and other tax shelters the average citizen cannot benefit from. What is the government waiting for to make companies availing themselves of too many tax shelters pay their taxes? And why not end GST refunds to foreign tourists who make purchases in Canada?

Those are serious ways to eliminate the deficit without hurting social programs too much.

[*English*]

SYMBOLS OF CANADIAN NATIONALISM

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to thank the Leader of the Opposition, who recently recognized the importance of the symbols of Canadian nationalism by supplying my office with Canadian flags. I dutifully handed these out to hundreds of our citizens in Christmas parades across Durham. I can assure the member that the deep expression of love for our country and each other was reflected on the faces and in the hearts of all of these communities.

There are other symbols we should change in order to reflect the reality of all the people of Canada as we approach the 21st century. Our currency should reflect the true Canadian traditions rather than foreign monarchs. The head of our state should be truly elected by Canadians for Canadians. Finally, here and across the land, when people take the oath of office or oath of citizenship they should swear allegiance to our great nation.

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HMCS *CALGARY*

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, late Friday 29 Romanians and one Greek man were plucked from the stormy seas of the North Atlantic by Master Corporal Rob Fisher from Greenwood, Nova Scotia.

HMCS *Calgary* and a Sea King helicopter were on their way back to British Columbia from the Persian Gulf when they responded to the sinking of the *Mount Olympus*, racing 900 kilometres in 18 hours to reach the sinking carrier. Amid frightful conditions, Master Corporal Fisher spent four hours pulling the crew members from the sinking ship to safety.

I know all hon. members will join me in thanking the crew of the HMCS *Calgary* and particularly Master Corporal Fisher for their heroic efforts, the kinds of efforts we have come to expect from the men and women who serve Canada with dedication and distinction.

* * *

• (1405)

THE LATE PHIL GIVENS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I rise today to praise the late Phil Givens, who passed away last Thursday in Toronto at the age of 73.

Mr. Givens personified public service. He served the people of Toronto first as councillor and then as mayor from 1963 to 1966. He served the people of Canada as an MP from 1968 to 1972 and the people of Ontario as an MPP from 1972 to 1977. Appointed to the Metro Toronto Police Commission in 1977, he became its chairman, serving until 1985. Most recently, he served as a provincial court judge. His was truly a life devoted to serving the community.

Phil was also a man of culture. He will always be remembered as the driving force behind bringing Henry Moore's sculpture "The Archer" to Toronto's Nathan Phillips Square. That bold initiative contributed to Henry Moore's later extraordinary gift of sculpture to the Art Gallery of Ontario.

Phil touched many people's lives and will be sorely missed. He is an example to all Canadians. I am sure members of the House will join with me in sending our condolences to his wife Min and his family.

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[*Translation*]

MEMBER FOR BROME—MISSISQUOI

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, according to the December 2 issue of the newspaper *La voix de l'Est*, the federal member of Parliament for Brome—Missisquoi made representations to have CIDA grant close to half a million dollars to a group of individuals including a good friend of his for an eight–month business trip to Hungary.

We also learned that this good friend, Daniel Barbeau, was selected as one of the eight lawyers who will participate in the project by one of the minister's associates in his Bedford law firm, who sat on the selection committee.

Assuming this information is true, how did the member for Brome—Missisquoi manage, given the current budget situation, to help his friends benefit from such a sweet grant?

The Speaker: Dear colleagues, when making statements, members must avoid impugning motives, as is also the rule when asking questions in the House. I recognize the member for Calgary North.

* * *

[*English*]

TRANS–LABRADOR HIGHWAY

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, the so–called Trans–Labrador Highway is a 500–kilometre stretch of gravel road running from Labrador City to Churchill Falls to Goose Bay. For half that distance the road is only good enough to allow travel at 70 to 80 kilometres an hour. The rest of it is almost impassable.

For years the people of Labrador have fought with one government after another, demanding what most Canadians take for granted: a decent, passable road between major centres.

Imagine the earful I got from Labradorians as Reform's Atlantic issues critic when they picked up Saturday's newspaper and saw the Prime Minister opening a stretch of road in West Africa built with Canadian money.

Labradorians deserve to know how this Liberal government can spend millions of dollars in Africa when our own citizens go begging for one decent road between Goose Bay and Labrador City.

* * *

MEDICARE

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, today I was glad to join with the Moderator of the United Church, Dr. Marion Best, and the member for Notre–Dame–de–Grâce in supporting the drive by CAW retirees and the Congress of Union retirees to save medicare.

We played a take–off on the TV game of Jeopardy, answering questions about health care in Canada. At the end we were presented a T–shirt with a caricature of the Prime Minister on it dubbed "Medicare Nightmare".

The Liberals are slowly starving medicare and with it the ability to maintain or enforce national standards. They have reneged on the commitment to repeal Bill C–91 and do something about the spiralling cost of drugs and what those costs are doing to our health care system.

The NDP congratulates the Canadian Health Coalition and the CAW retirees and the Congress of Union retirees for the creative way in which they have sought to educate the public and the Liberals about the threat federal cutbacks are posing to medicare.

* * *

VICTIMS OF VIOLENCE

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, approximately one woman is killed by a weapon in Canada every six days. She is often killed in a private home. She is often killed by someone she knows. If she is killed by her partner, chances are she has been killed with a gun.

The victims of violence are often those who suffer in silence. They are our mothers, our sisters, our daughters, and our partners.

The national day of remembrance and action on violence against women is very important. It is a day for us to remember the victims of violence, those who suffer from abuse or from the loss of a loved one who has been taken from them. It is also a day of action. It is a day to promote the rights of victims, victim impact statements, the family violence initiative, more effective peace bonds, harsher sentences for offenders. These are initiatives to empower the victims of violence.

We must also continue to work locally in our neighbourhoods and communities to promote awareness and openness in helping the victims of violence. Working together, we can make our communities a safer place.

* * *

• (1410)

VICTIMS OF VIOLENCE

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, tomorrow marks the sixth anniversary of the Montreal massacre.

At the Women's World Conference in Beijing, it was agreed that violence against women is not a private issue and that states must exercise due diligence to make sure violence does not occur in the home or elsewhere. At the same conference, Canada introduced and passed a motion that reaffirms rape as a war crime, a crime against humanity. It introduces rape as an act of genocide.

Advances are being made, but there is still much to do, still many barriers to cross, still more awareness to raise, and unfortunately more shelters to keep open.

It is with the memory of the 14 women killed in Montreal on December 6 that we continue to pursue a just society and a better tomorrow.

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[*Translation*]

MANPOWER TRAINING

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, in spite of the strong opposition of all Quebec stakeholders in the labour market, the Minister of Human Resources Development is going ahead with his bill, which, in his own words, seeks to decentralize manpower training to individuals rather than to the provinces.

It is obvious to all Quebec stakeholders that this so–called decentralization is only a farce and does not in any way follow up on the Quebec consensus regarding this issue. On the contrary, it is clear that the minister's project is aimed at allowing Ottawa to keep control over its programs, while trying to make us believe that a decentralization is taking place. Once again, this government is acting in bad faith and is showing contempt for the provinces. Moreover, it shows that is still has not understood the meaning of the results of the October 30 referendum.

* * *

[*English*]

BALKANS

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the foreign affairs minister is so hard–working and dedicated to his job it is scary.

Do members remember yesterday when the government promised it would carefully listen to everything the opposition had to say before it made a final decision on the Bosnia mission? Well, the debate went on until nine last night, which is three in the morning in Brussels, where the Minister of Foreign Affairs is. The fact that he was able to stay up watching the debate that late is great. Then he worked the rest of the night away to fully incorporate the opposition's ideas into the final Canadian plan he agreed to this morning.

It is simply amazing. After staying up all night, this hard–working minister was able to put the final stamp of approval on the Bosnia mission first thing this morning, and all this with the comforting knowledge that he had taken fully into account all the views expressed here yesterday. I never would have believed it could be done. But since the government always tells the truth, it must have been what happened. Right, Mr. Speaker?

* * *

ROYAL ARMS OF CANADA

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib): Mr. Speaker, it is with pleasure I draw the attention of the House of Commons to the recent improvements to the Canadian Coat of Arms. These improvements highlight the motto of the Order of Canada, our country's highest honour. Interestingly, they were proposed by a member of the press gallery, Bruce Hicks, over a decade ago. The motto, "To build a better country", is something every member of the House should be trying to do.

In 1987 the Queen approved this change for limited use in Canada. Everyone who has been to Rideau Hall will have seen this new coat of arms in the stained glass window near the entrance. Last year the Queen authorized its general use and slowly it is being introduced so as to not cost the taxpayers any money.

Last year I sent a copy of these arms in electronic format to every MP and encouraged them to start using them on their letterhead and publications when they reorder. The Minister of Canadian Heritage drew attention to it last month when he unveiled the latest edition of symbols of Canada.

As Canadians, we do not wave our flag, but I am proud of my country and its symbols. I applaud the governor general for this change.

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, this morning, the daily *La Presse* mentions that the Quebec government is prepared to initiate formal discussions with Ottawa on the transfer of federal funds earmarked for manpower training. This is good news, particularly since the Quebec employment minister herself, Louise Harel, asked that a meeting be held as quickly as possible to discuss the issue.

This development seems very encouraging. I do hope that it reflects the will of the PQ government to finally recognize the choice made by Quebecers in the referendum, as well as its willingness to turn the page and co–operate with the federal government to promote Quebec's well–being and prosperity.

• (1415)

Provided these discussion are conducted in good faith and in a spirit of goodwill, I am convinced that good things will result, both for the workers and the unemployed.

* * *

BLOC QUEBECOIS

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, Quebec daily newspapers were reporting this morning that the next leader of the Bloc Quebecois will be an acting leader and that only the party's general council members will be voting in the election.

How do you like that, a leader who will be there only on a temporary basis, a leader selected by members of the party's establishment, themselves appointed by the retiring leader before he accedes to the throne in Quebec? As a result, party members who militated in good faith find themselves excluded from a process as fundamental as the selection of a new leader, with a leader who is leaving but at the same time wants to keep on controlling what happens in his Ottawa branch.

The Bloc Quebecois has not stood the test of time, and this prearranged exercise in democracy does not bode well for Quebec when the new king finally accedes to the throne.

ORAL QUESTION PERIOD

[*Translation*]

MANPOWER TRAINING

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the Quebec National Assembly unanimously reaffirmed the consensus to the effect that Quebec must have sole responsibility for policies pertaining to manpower and occupational training. To do so, the Government of Quebec must regain control over the management of employment and manpower services, with fair financial compensation and no strings attached.

Given that the National Assembly has instructed the Quebec government to undertake formal discussions with Ottawa to ensure the respect of this consensus, does the Minister of Human Resources Development intend to fall into step and discuss with his Quebec counterpart the unconditional transfer of responsibi-

lities for providing services and setting standards in the area of manpower, along with the related funds and fiscal resources?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am very pleased that the Quebec government accepted the amendment proposed by the opposition Liberals recommending that the Quebec government sit down and undertake a serious negotiation. That is a very good step which I think demonstrates there can be some openness in terms of pursuing these very important matters of how we can redefine the roles and responsibilities. I certainly will be approaching those discussions with a very open mind about the kinds of interests and the ways in which we can deal with the problem.

We have been in contact with Madam Harel's office. We hope to be able to organize the meetings as soon as possible and as soon as we can fully look at all the respective programs that are being considered in light of the statement and conditions set forward last week by the Prime Minister.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the National Assembly's resolution clearly reaffirmed the consensus reached in Quebec that manpower issues should unconditionally come under the jurisdiction of the Quebec government, as prescribed by the Constitution.

Are we to understand from the minister's answer that he is prepared to conduct discussions with the Quebec government about Ottawa's withdrawing, unconditionally and without federal standards, from the area of manpower and transferring related resources to Quebec, as requested in the resolution passed unanimously by the Quebec government and the Liberal opposition? Everyone agrees in Quebec. Does the minister really intend to do so?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it was already made very clear in the Prime Minister's statement of well over a week ago that the federal government will withdraw from the area of manpower training. We have made that very explicit. We have also followed that up with the legislation which was tabled on Friday. It will oblige the federal government to work in concert with the provinces in detailing those kinds of relationships. We made it very clear that there would be no training voucher of any kind without the consent of the provinces. We will be sitting down with the provinces to work out a clear harmonization of programs where it is required. It can develop beyond that.

• (1420)

What is important, which the hon. member should applaud, is that for the first time since the Quebec government was elected well over a year ago there has been a major change in its position. It is now willing to sit down under the present Constitution to talk about how we can establish a partnership to help people get back to work.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I am convinced that not only the minister, but all those watching these proceedings and all members of this House understand our concern. The Government of Quebec was taken for a ride so often by the people opposite that we have become extra careful. We want to know if this is going to take place under optimal conditions.

I would like the minister to be unequivocal. Will he agree, as suggested by the Quebec government at the request of the Quebec National Assembly, Liberals included, to discuss with the Quebec employment minister the possibility of repatriating to Quebec responsibilities pertaining to manpower without letting the threat of national standards hang over our heads as he has in the past? Is he prepared to make a commitment to achieve results along the lines of the consensus expressed by the Quebec National Assembly? I think that the question is clear enough to deserve a clear answer.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I gave a very clear answer to the previous question. We have already stated clearly in the House and we have entrenched it in the proposed legislation, which I hope the hon. member will vote for as he is so interested, that we recognize and accept the full jurisdictional competence of the provinces in the area of training. There is nothing ambiguous about that. It is perfectly clear.

Now we have to work out the basic rules so that we can apply all the programs. We have to ensure that the clients of our insurance program who paid premiums to get benefits will be assured of receiving those benefits. It is as simple as that.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance. Since Friday, the Minister of Human Resources Development and the Minister of Labour have been repeating that the federal government will not use the unemployment insurance fund surplus to reduce its deficit, but will instead put it into a separate reserve fund. Need I remind the Minister of Finance that, in his 1995

budget, pages 89 and 94, he took those surpluses into account in calculating the revenues and expenditures of the federal government?

Are we to conclude from the statements by the Minister of Human Resources Development and the Minister of Labour that the Minister of Finance has decided to set up an unemployment insurance reserve fund and to give up on his plan to apply UI surpluses to the federal government's revenues and expenditures?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will answer the hon. member by simply repeating what we said yesterday.

During the course of our extensive public discussions we received a number of recommendations, including recommendations from the trade union movement in Quebec, that we establish a reserve fund to stabilize premiums. In that way we could prevent the kind of drastic economic downturn which occurred in the early nineties when, because there had been no reserves set aside, the recession was worsened by the previous government's necessity to substantially jack up premiums.

That was recommended by the trade unions in Quebec. It was recommended by business groups and by the general public. It is good, prudent economics to set aside a reserve fund so we will not have the additional costs faced in 1992 which would make a downturn worse than it would be otherwise.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, this was an important question concerning the Minister of Finance's budget, yet it is the Minister of Human Resources Development answering—everything is topsy-turvy. I shall repeat the question.

It is clearly set out in his budget, as in the federal government's financial report, that the annual activities of the unemployment insurance program have a direct impact on the deficit and the net indebtedness of the federal government.

• (1425)

Under these circumstances, is it or is it not true that the federal government intends to set up a reserve fund. If so, will the Minister of Finance admit that his deficit forecasts based on using the UI surplus will be struck a fatal blow by the creation of this reserve fund?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, let me answer the member directly as to how it does affect the deficit not just of the government but of the people of Canada.

Because of the failure of the previous government to set up a reserve fund in order to stabilize premiums, the interest charged against the UI account between 1992 and 1993 amounted to $1 billion which had to be paid by workers against the premiums. That is what members of the Bloc Quebecois are now recommending, that we put additional burdens on workers because they will not support the establishment of a reserve fund.

* * *

FEDERAL–PROVINCIAL RELATIONS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when it comes to some provinces, the government's attitude is now we see them and now we don't.

The federal government has been utterly indifferent to B.C.'s concerns on aboriginal issues and the mismanagement of the salmon fishery, and the Prime Minister's constitutional veto scheme ignores British Columbia completely. About the only time the government recognizes B.C. or Alberta is when it comes time to extract money. These western provinces are becoming increasingly alienated from Ottawa. That alienation will deepen when the human resources minister withholds $47 million from B.C. for introducing residency requirements for welfare.

What does the human resources minister really expect to accomplish by fining British Columbia for attempting to manage its welfare rolls more effectively?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, that is a very surprising question coming from the leader of the third party whose members stand up every day and demand that we ensure that individuals live up to the law.

The British Columbia government has broken the law. If I understand the leader of the third party, he is saying that it is okay for the provinces to break the law but it is not okay for individuals. We believe the law applies to everybody whether they are a provincial government or an individual.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the law is not the issue. If the provinces could fine the federal government for every commitment it has broken, they could pay off their deficits.

The real issue here is the government's Neanderthal approach to federal–provincial relations. The government talks about ushering in a new era of flexible federalism. The reality is that a bankrupt federal government is attempting to use fines and threats to control provincial areas of jurisdiction.

The human resources minister attaches strings to manpower training funding and imposes fines on British Columbia. The Minister of Health does exactly the same things to Alberta.

Is this really the government's vision of federalism, federalism with strings attached, red tape federalism, federalism by threats, federalism by fines?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am afraid that the hon. leader of the third party is looking in a mirror. That is his version of federalism. I will tell you what we see. We see a federalism which allows and enables Canadians to move freely throughout this country to search for work and to exercise the right of mobility.

It is very interesting that in its proposal the Reform Party says there should be a free movement of goods and a free movement of services, but apparently in the lexicon of the Reform Party there can be no free movement of people. The real problem is to defend the right of Canadians to move freely about this country.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the government imposes fines on British Columbia and Alberta to impose its outmoded view of federalism. It dismisses fundamental objections to its ill–conceived Quebec package from western provinces out of hand.

All of this undermines rather than strengthens national unity. In its misguided attempt to appease Quebec separatists, in its ham–fisted approach to retaining federal control in areas of provincial jurisdiction, the government runs the risk of pushing provinces like British Columbia and Alberta out the back door.

• (1430)

Does the Minister of Human Resources Development realize that his steadfast resistance to real decentralization is as great a threat to the national unity of the country as the efforts of Quebec separatists?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one of the real threats to Canada is the balkanized, fragmented, mean–minded attitude expressed by the leader of the Reform Party. That is the real danger to the federalism of the country.

If he knew his facts, which he does not, he would recognize that we put in place last year a new transfer payment that would give the provinces brand new flexibility in making choices and the provincial premiers could set up a process to begin discussing it.

The ministers of British Columbia were a full part of it but refused to bring their concerns in front of the provincial body where those decisions could be made. They acted unilaterally without any discussion with ourselves or the other provinces. They took an action which broke the law.

We went out there three weeks ago to say let us find a solution, let us negotiate, let us find a partnership. There was absolutely no support from this gentleman or his party for the kind of federalism which must be based upon partnership and co–operation, not the kind of fragmentation this gentleman represents.

Some hon. members: Hear, hear.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In his reform, the minister takes advantage of the conversion of weeks worked into hours worked to further reduce eligibility for benefits as well as their duration. The current eligibility requirement is between 180 and 300 hours of work, but this figure will be between 420 and 700 hours in the future.

Does the minister admit that, by increasing the number of hours required to qualify for benefits twofold, if not more, in both high unemployment regions and others, he will exclude thousands of unemployed people from the plan, women and young people in particular, who will then have to turn to welfare?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one reason for moving to an hours based system, which is quite a fundamental reform, was to ensure that we would give full credit to all the work that was done.

For example, in many high unemployment areas where there is a lot of seasonal work, many workers put in long hours, 40 or 50 hour weeks, for which they get no credit. They get exactly the same credit as somebody who works 20 or 25 hours.

As a result of this major changeover, many of those who are in seasonal work and work very long hours for very short periods can establish their eligibility sooner and receive benefits longer. A quarter of a million Canadian workers who presently pay into the system would be able to have a longer term of benefits than they do now because of the hours based system.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the bulk of part time and term employees are young people, women, or new workers. These are the ones who will be affected by the minister's reform.

• (1435)

Does the Minister acknowledge that, by requiring 35 hours of work instead of 15 to qualify for a week of benefits, he is greatly reducing the benefit period of part time workers, most of whom are young people or women? Seventy per cent of part time workers are women and 40 per cent are young people.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, again I ask the hon. member to look at the package in its entirety.

One of the most important changes we have made is to break what has been commonly known as the glass ceiling. That was a very strong recommendation made during the public hearings. That is the rule whereby 15 hours is the dividing line on which eligibility is established.

Many employers across the country establish an artificial barrier, giving work only up to the 15–hour level so they would not have to pay premiums and give people eligibility. As a result a lot of people were denied work and, more important, were denied the opportunity to have the security of the program, to have access to maternity benefits and to have access to the re–employment measures.

We have broken that glass barrier and we will now allow the work to take its natural course. Therefore people will get more hours than they can under the present artificial barrier.

At the same time for part time workers we are establishing a major premium rebate. Close to 1.3 million of the present 2.2 million part time workers who now pay into the system, something the Reform Party has not quite understood yet, will be eligible for a refund of all the premiums to ensure basic balance and equity in the system.

* * *

ROYAL ARMS OF CANADA

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Parliamentary Secretary to Solicitor General of Canada has pronounced in a press release:

> Canada has a new coat of arms which will be distributed this week to MPs and schools across the country. . . The new coat of arms will appear on all money, passports, government buildings and rank badges in the Canadian Armed Forces. As a French Canadian, I always thought the coat of arms we had been using was too closely associated with the British. These new arms are an important change in our evolution as a country.

You bet they are, Mr. Speaker. I ask the Minister of Canadian Heritage if this is for real. If so, why did the Canadian public not even have a say on it?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the coat of arms was approved by the Queen in 1987. I am always prepared to have great parties to celebrate events but this one would be a little late.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the press release says that the Canadian coat of arms proposed by Bruce Hicks of the press gallery was approved by Queen Elizabeth on July 12, 1994, not 1987.

The point is that this issue has not even come before Parliament; it has not even come before the people of Canada.

My question is about symbols. These symbols do not belong to the Liberal government; they belong to the people of the country. If this is real, why has Parliament not even discussed it?

We have seen closure on the distinct society motion. We have seen closure on constitutional vetoes. Why are we now seeing closure on this issue?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, perhaps I could make a brief correction on dates. The date I gave is correct. That was when the coat of arms was approved. What happened more recently was that the Queen decided it could be distributed all over Canada. That is the difference in dates.

As to the authority, we should remember that the coat of arms is under the authority of the Governor General of Canada. If the opposition or the second party in the opposition wants to have a great debate, it can always use opposition days.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

With his reforms, the minister has taken the first step towards establishing an employment insurance system that discriminates against seasonal workers, whose benefits will be reduced depending on the number of weeks they were on unemployment insurance in the past.

Will the minister acknowledge that this is a complete contradiction of the recommendations of his task force on seasonal employment and of his own commitments, in that he is creating a two–tier system in which seasonal workers will be treated like second—class unemployed workers?

• (1440)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first we should put this matter in context. Just over a decade ago about 15 per cent of UI claimants

were those who used the system on a regular basis. Today that number is well over 40 per cent. There has been an incredible expansion or explosion. That was one of the reasons the cost of the system had gone from $8 billion to $17 billion when we inherited it in 1993.

As the hon. member should know, the system was no longer being used to assist people who are unemployed or to enable people to get back to work. It was being used increasingly as a form of supplement to wage packages by a wide variety of industries.

A very strong recommendation came out of the public hearings that were held. The seasonal workers report established that it did not agree with the notion of a two–tier system. It talked about a graduated response that would apply the principles of experience rating. As with any insurance policy, a different premium level is applied the more we use it. That is the kind of principle we have applied here.

It is a very modest one. It is there to provide a certain deterrent to increased use. It is not discriminatory. It is simply to recognize and evaluate the very serious cost of the program as a result of the incredible expansion in use over the past 10 years.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, seasonal workers are honest users of the system and are only guilty of supporting the seasonal economy in the regions.

Will the minister acknowledge that regions whose economy depends largely on forestry, the fisheries and tourism, as is the case in eastern Quebec and eastern Canada, will be among the principal victims of his reforms and that they will become second–class regions with second–class unemployed workers?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is unfortunate that the hon. member did not listen to the previous answer.

However, a quarter of a million workers in seasonal industries will be able to receive benefits for a longer period of time. If we add up the actual dollars, it will be more dollars because of the hours based system. The shift to the hours based system means that for the first time full credit or full value is given for the full work they do. That is what workers want. They want to be given full credit for the amount of time put in and not have a bunch of artificial formulas applied to them.

That is what we have done. Every dollar and every hour now count toward credit in the new employment insurance system.

ROYAL ARMS OF CANADA

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the Parliamentary Secretary to the Solicitor General of Canada issued a press release today detailing proposed changes to the coat of arms. We spent the morning trying to figure out what exactly he was talking about. I must say that it reads like something out of a LeCarré novel.

The Prime Minister's office does not know anything about the change. The Liberal whip's office said it must be a mistake. The Privy Council office seems to be completely in the dark.

We would like to know what all the secrecy is about. Why is this change being introduced now? Why does not anyone on that side of the House seem to know anything about it?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, changes in the coat of arms are not unusual. They have taken place over the years. We witness now, somewhat belatedly, another change.

If the member wants to make a great show of it, I would suggest he go outside and ride on the back of the unicorn.

• (1445)

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is always a pleasure to follow such a class act as this low life minister.

Some hon. members: Oh. Oh.

The Speaker: Colleagues, as much as possible we should refrain from personal attacks. I ask all hon. members to be very judicious in their choice of words.

I return to the hon. member for Fraser Valley East and ask him to put his question.

Mr. Strahl: Mr. Speaker, the government's arrogance typified in that answer seems to know no bounds. First it uses the old Mulroney tactics of ramming through constitutional vetoes and distinct society status when the Canadian people have not been consulted. Now it wants to change the Canadian Coat of Arms, waiting for a convenient moment when it thinks it can sneak it through Parliament past our eyes.

Why is the government now sneaking through these changes to the Canadian Coat of Arms and why is it changing the fundamental symbols of the country at a time when we are trying to keep it tied together?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I explained these changes were made in 1987. We are not currently doing anything. We are printing booklets giving the symbols of Canada all across Canada.

One reason, as I understand it, the coat of arms was changed in 1987 was to add "to build a better country". If this is irrelevant today, I profoundly disagree. Our colleagues should work for a better country, but they do not.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

As we know now, the minister's reforms will triple the number of hours required to be eligible for unemployment insurance for the first time, from 300 to 910 hours. In so doing, the minister penalizes thousands of young people who are trying very hard to enter the labour market as well as thousands of women who want to go back to work, because they will need more than six months of full time work to qualify.

Will the minister admit that all workers who lose their jobs and apply for unemployment insurance for the first time after having worked less than 18 hours a week for one year will not be eligible for benefits even if they paid premiums during that time?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is very interesting that the question cited as reference the report of seasonal workers. That same report recommended strongly that there be stronger eligibility requirements for young people because it was noticed that many young people were simply using a minimum amount of work to get into the system and therefore becoming dependent on cycles year after year.

Our response has been very clearly twofold. First, we have shifted, as the hon. member should know, to a much stronger series of measures to help people, including young people, get back in the job market quickly and effectively.

Second, we have increased our budget for youth employment by 15 per cent this year. In the first year of operation of a youth internship we already have 25,000 young people working in business to make that transition. Our belief is to use positive, active measures to help our young people get into the workforce.

Furthermore, there is one important thing the hon member should know but does not. We are extending those active measures to people who have paid into the new employment insurance system for a period of three years. All those employment measures are available even to those who have exhausted their claims. They will now have the benefit of our employment measures.

• (1450)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, it is really too bad that the Minister of Human Resources Development considers unemployment insurance as a drug.

I would like to ask a question from a different perspective. Does the minister agree that individuals who work less than 490 hours annually will never be eligible for unemployment insurance although they have to pay premiums, which has not been the case so far?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has totally and completely misunderstood the major fundamental thrust.

This has been debated for many years. We have finally said the old system which purely provided benefits was not sufficient to help people get back to work. We have shifted those resources into effective measures of employment, things like the self–employment measure, things like the development of a wage supplement to provide for small business.

We are using those measures to help people get back to work, to make up those hours because we happen to believe that everyone would rather work than simply stay on benefits. We are now giving them the means to achieve that goal.

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ABORIGINAL YOUTH

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, my question is for the Secretary of State for Training and Youth.

At an aboriginal youth forum I recently held in Edmonton East one of the concerns expressed was the high rate of unemployment among aboriginal youth. Participants felt it was crucial to nurture and develop the talent of our aboriginal youth.

What initiatives has the Department of Human Resources Development taken to assist urban aboriginal youth successfully enter the workplace?

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, the government is committed to helping aboriginal youth join the workforce successfully. We are actively assisting them to help gain valuable work experience.

On October 16 Human Resources Development Canada announced the latest project, a series of 16 First Nations youth service projects. The Assembly of First Nations will work in

partnership with Youth Service Canada HRD to develop youth service projects which meet the needs of these aboriginal youth.

This initiative will have a total of 240 participants and will cost approximately $2 million.

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ROYAL ARMS OF CANADA

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we have a rather curious turn of events here today.

Earlier last week the government in introducing this distinct society motion said it attached great importance to symbolism, even symbolic statements.

Now we have a proposed change in the Canadian coat of arms, a Canadian symbol, and the heritage minister who is supposed to be the guardian of these things dismisses it as inconsequential.

To whom does he believe this Canadian symbol belongs, to the sovereign, to the government, to some Liberal backbencher or to the people of Canada?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it certainly belongs to the people of Canada, all of us, but particular to those who believe in what is written on the coat of arms: "To build a better country".

I hope the Reform Party believes in it and will support the new coat of arms.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if it is true what the minister says, that the coat of arms belongs to the people of Canada and he is committed to building a better country, why are the people of Canada not consulted and involved in changes to the Canadian coat of arms?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the people responsible for the coat of arms are the people of heraldic authority of Canada under the jurisdiction of the governor general.

That is the way the coat of arms is changed. It has been approved by the Queen. If, as I said earlier, my colleague wants to trigger a nationwide debate on the subject of the change, he would be welcome to it.

* * *

[*Translation*]

VETO

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, yesterday the Minister of Justice stated that the so–called veto his government is proposing to Quebec in response to the referendum commitments made by the Prime Minister belongs to Quebecers and not to the National Assembly.

• (1455)

My question is directed to the Minister of Justice. Considering what he said yesterday, will the minister confirm that the so–called veto in Bill C–110 does not in any way belong to the government of Quebec or to the National Assembly?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, Bill C–110 clearly says that before the Canadian government authorizes an amendment to the Constitution, it will need the consent of a majority of the provinces that includes Ontario, Quebec, the Atlantic provinces and the Western provinces. We said clearly in this bill that what we need is the consent of the provinces.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, does the Minister of Justice agree that the wording of Bill C–110 is such that the federal government is free to circumvent the Quebec National Assembly and, for instance, call a federal referendum in Quebec?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the important thing to bear in mind is nothing in Bill C–110 changes the formula for amending the Constitution, as set out in part V of the Constitution Act of 1982. What is required under section 38, as the hon. member well knows, is the agreement of seven of the ten provinces expressed by resolutions passed by their legislative assemblies. That is what is required before a constitutional amendment can take place.

All Bill C–110 provides is that before the Canadian government will participate in such a change, and after seven legislative assemblies have expressed their agreement, it will determine the consent of the provinces to the extent of the majority as described in the bill.

What constitutes consent could very well be the legislative assemblies' statement. It could be an expression of support by the government of the province or it could be expressed directly by the people. That flexibility is one of the real advantages of the legislation.

* * *

ROYAL ARMS OF CANADA

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the debate surrounding the change to our flag was one of the most emotional, controversial and moving in Canadian history. It gave all Canadians an opportunity to participate in the development of the symbols of the country.

We are now told our new coat of arms is ready for distribution late this week. How did this happen in such a state of secrecy? I remind the Minister of Canadian Heritage the press release carried an embargo until 10 a.m., December 4, 1995.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member has asked a serious question. Although it is on short notice I will try to present her and the House with some information I just received.

I have in my hand a booklet entitled "Symbols of Canada", published by the Department of Canadian Heritage. On page 5, under the heading "Armorial Bearings", which I understand is another term for coat of arms, it states:

> Adopted: By proclamation of King George V on November 21, 1921. On the advice of the Prime Minister of Canada, Her Majesty the Queen approved, on July 12, 1994, that the Royal Arms of Canada be augmented of a ribbon with the motto of the Order of Canada, desiderantes meliorem patriam—

—they desire a better country.

I hope my hon. friend also desires a better country.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, of course I absolutely do want to see all of us build a better Canada, a better future. However, the issue here concerns the embargo until yesterday, December 4, 1995, and that part of my question was not addressed.

• (1500)

If the House of Commons represents a place for all Canadians to come and debate through our membership, I would like to know why we did not have a broad debate in the House of Commons to discuss this very basic simple issue.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, as I understand it—I will be corrected if I am wrong—this booklet I have was distributed to all members of Parliament and to the public. It was distributed some time ago. It is hardly a secret.

As far as I am aware, while there has been a debate and vote in the House on the Canadian flag and a debate and vote in the House on our national anthem, the matter of the armorial bearings of Canada has been something for decision of Her Majesty the Queen of Canada and not for the House of Commons. I see nothing to criticize the government over the actions of Her Majesty the Queen.

* * *

CUSTOMS

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Seniors have come into my office complaining about the long line–ups at customs as they return home for the holidays. By the time they reach customs they are quite tired from their flights. Can the minister tell the House what he is doing to ensure that seniors and other travellers can move through customs without having to stand in long line–ups?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I am happy to report that Canada Customs is fully prepared to provide extra services at the border during this holiday season. There is an increase in traffic at this time. A large proportion of the 110 million people who come into Canada come at that time.

Our job is to provide, through extra shifts, part–time workers, and some student customs officers, the best possible service at this time. In addition, this year we will also have at our busiest airports special client service representatives to assist those who may be in trouble.

I think we should recognize that the customs service of Canada is probably the best in the world. They work very hard and long hours during the holiday season protecting this country against illegal weapons, drugs, and other such things. I hope the House will recognize the important work they do, particularly at this time of year.

* * *

UNEMPLOYMENT INSURANCE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development.

The last government walked away from the unemployment insurance fund and this government has done nothing to bring itself closer. Would the minister tell us why he thinks he has the moral authority to take another $1 billion out of the pockets of unemployed Canadians on top of the $7 billion he took out last year to use to pay down the deficit, which those people made no contribution in creating?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have been through this territory several times, but I would be quite happy to try to repeat it for the understanding of the hon. member.

First, the proposed changes are designed specifically to help create jobs in this country. A large part of that amount goes to re–employment measures, which will enable people to get back to work. The remaining portion goes to help establish a fund to stabilize the premiums.

The hon. member was in this House during the 1990s. He knew what happened when the previous government had to raise the premiums by 95 cents over a period of two years. It threw the market into total havoc. It drove down the economy. It put an extra burden on workers. It destroyed jobs.

One thing about us compared to New Democrats is that we learn from history and we are not going to repeat that mistake again.

The Speaker: Colleagues, this would bring to a close the question period.

THE ROYAL ASSENT

• (1505)

[*English*]

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

Government House
Ottawa

December 5, 1995

Mr. Speaker

I have the honour to inform you that the Honourable John Charles Major, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 5th day of December 1995, at 4.55 p.m., for the purpose of giving royal assent to certain bills.

Your sincerely,

Anthony P. Smyth,
Deputy Secretary, Policy, Program and Protocol

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE REFORM

The House resumed consideration of the motion.

The Speaker: My colleague, I am informed that you have two minutes remaining in your speech. This will be followed by a five–minute question and comment period. I understand you are sharing your time with another hon. member. Is that correct?

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, my wife is often astonished at how quickly and how frequently the schedule changes for a parliamentarian. This is an example of that. When I rose to speak an hour ago I said I would speaking for the full 20 minutes and now it is 10 minutes. I happy to comply and adjust my schedule again.

Before question period I was saying that the bill was a Robin Hood response to the problem we have with the UI system. In 1983 the UI system cost $9 billion to employers and employees across Canada. Today it costs $17 billion. The growth in the cost

of this program has represented a tax on jobs in Canada and we have to deal with it.

People in my riding tell me that it has been misused in many ways and it is time to deal with it. How do we deal with it and why am I calling it a Robin Hood response? We are dealing with this problem of reducing the cost of the program by reducing benefits for the well off who have been breaking the system for a while and increasing benefits to the poor. The low income people who have dependants will get up to 80 per cent, rather than 55 per cent of their previous income under this system. It is an important step forward and we are maintaining the program as much as possible in a very solid way for those in the middle. That is a very important point.

I want to mention the issue of involuntary part–time workers. I have been involved in the food bank movement in the Halifax area, as people in my riding would know. One thing we always complained about for low income people is the growing number of people who have to work part time because they could not find full time work. One reason for that has been the incentive provided in part by the UI system to employers to only hire part time workers, who would work less than 15 hours a week so they would not have to pay these UI benefits, for example.

• (1510)

By moving to an hourly based system where every hour counts and every hour has premiums paid on it, it means that people who are working part time will qualify for UI and the incentive for employers to hire only part time will no longer be there. These are important and positive points about this employment insurance program.

I urge all members of the House to vote against this Bloc motion.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I listened very carefully to the speech by the member for Halifax West. I was surprised, because he is from one of the Atlantic provinces, that he had no criticism of the unemployment insurance reform. His is one of the regions that will be affected most in Canada following the unemployment insurance reform. The member sees only positive effects, but his region will surely suffer negative and disastrous consequences.

I come from Latin America, and sometimes representatives of the International Monetary Fund, who travel throughout Latin America, tell governments that they must make cuts, reduce salaries or terminate unemployment insurance or social security programs. From what we see here in Canada, it looks like policy is being dictated by the International Monetary Fund or the OECD.

I would like to know the member's opinion. What does he think of the negative consequences of the system set up by the

Minister of Human Resources Development for the Atlantic region, which will be hit just as hard as Quebec and other regions in Canada?

Mr. Regan: Mr. Speaker, they are incredible. The Bloc members are unable to see the benefits of these changes to the system. They fail to see the problems with the old unemployment insurance system.

Yes, I come from one of the Atlantic provinces. But, in these provinces, in my region, many people recognize that the old unemployment insurance program needed to be changed, renewed.

[*English*]

The hon. member speaks about my region being hard hit by these changes. The member should examine the proposals a little more carefully and see exactly what is happening. The fact is 45,000 more seasonal workers in Atlantic Canada will have access to employment insurance because of these changes.

Yes, there will be a reduction in the overall amount being spent, but we are focusing it much better toward the creation of employment, toward employment assistance programs, toward training programs, toward important things that are required to move this system away from unemployment insurance to insurance of employment, which is what it is all about.

In the year 1997–98 there will be a total net decrease of about six per cent. By the year 2001 the total decrease in the whole impact of the program will be about seven per cent. Considering that the cost of the program has gone from $9 billion 12 years ago to $17 billion today, it should not be surprising that we need to have some changes to this program. The fact that the total impact over the next five or six years will only be seven per cent total for this region should tell the hon. member something. We have done this by making sure that those who need it the most still have it. This means it will work well in Atlantic Canada.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, studies have shown that the utilization of unemployment insurance benefits is very hard to forecast. The reason is that institutions tend to exploit the opportunities. For example, we know institutions developed in Atlantic Canada that allowed workers to work for exactly 12 weeks in order to qualify for benefits and then the next batch came in to work for 12 weeks. This is how the cost increased.

I wonder whether the Department of Human Resources Development has looked at the possibility of similar institutional developments coming forward in the context of now making part time workers eligible.

• (1515)

Mr. Regan: Mr. Speaker, I am aware that the department has examined many aspects of the bill. There will also be an ongoing monitoring process by the Employment Insurance Commission.

The Reform Party has been saying that we should make it much more like an ordinary insurance system, maybe even make it a totally privatized system. This shows me that Reform Party members are not responsive to the concerns of Atlantic Canada, that they do not care one iota, not one ounce, not even a smidgen about the people in Atlantic Canada. Otherwise they would not hold that position.

[*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, what counts for Canadians is jobs, and that is what counts for the government as well. This is also the fundamental objective of the bill on employment insurance, which the opposition motion is so wrongly criticizing.

The bill does more than protect the incomes of the unemployed. It is based on the principle that we must more actively help people find work. And it is based on the requirements of a modern economy. Another question, however, is central to the debate. The employment insurance bill announces a completely new way to view the role of the provinces in the labour market. This goes to show how flexible this government has been in the past and will continue to be in federal–provincial matters.

A closer look had to be taken at job creation and preservation. Serious thought had to be given at how to combine our efforts with those of the provinces. This involves understanding jurisdictional problems and finding solutions.

We take into account the fact that the provinces are responsible for education and job training. We accept the point of view held by many in Quebec and elsewhere, that the federal government should not get involved in job training. We acknowledge that the federal government should not get involved in activities that might alter provincial priorities in the area of job training.

[*English*]

Last Friday the Minister of Human Resources Development restated that commitment. He went further. He outlined how the new employment benefits under employment insurance would assist in getting Canadians back to work. Needless to say, they will be much more respectful of provincial responsibilities in this area.

[*Translation*]

Quebec provides an excellent example of this sort of active approach with the collective organizations and partnerships such as the Société québécoise de développement de la main–d'oeuvre.

[*English*]

The employment insurance bill provides for a new balance to federalism. This is what we see in employment benefits. It is based on an answer to a very important question: would a new set of roles and arrangements between the federal and provincial governments do a better job of getting Canadians back to work and would it do that more efficiently?

[*Translation*]

The answer to this question is yes. And now is the time to say yes. Quebec is the forum where this answer has to be given. We will no longer be buying training courses from public or private institutions. We will withdraw from apprenticeship, co–op and on–job training programs. These measures are in keeping with the consensus in Quebec.

However, while the federal government no longer intends to play a role in manpower training, it does intend to continue its role in helping the unemployed return to work. The new employment benefits will represent an investment in people. We want to spend this money so effectively that our clients will never need us again. We want to spend this money on, to devote it to activities that will ensure the best results.

Wage subsidies, for example, will help employment insurance clients find work, and we are talking here primarily about people such as those with a disability, who have a harder time of it.

• (1520)

Income supplements will help employment insurance clients find work; most of these people may need short term financial assistance.

Job creation partnerships will help create new jobs for employment insurance clients.

The five measures we have just mentioned are not programs; rather, they outline the types of needs on which we have decided to focus our efforts.

We are reaching out to Quebec and we are ready to work with its employment development programs and tools.

Through the strategic initiatives program, the federal government already supports two Quebec programs that should allow all of Canada to learn important lessons on the labour market. Federal support for PWA will help over 25,000 families throughout Quebec benefit from this important program every year.

As my hon. colleagues may know, PWA provides wage assistance to low income families. Parents benefit, of course, but so do tens of thousands of children, who can then grow up in families who are proud of their work.

[*English*]

The results will be clients who are better off with a simple process. That is a basic reason why we are insisting our programs be harmonized with provincial ones.

[*Translation*]

By reinvesting insurance savings, we will spend more on helping these Canadians. Expenditures will rise from $1.9 billion to $2.7 billion. This money will be spent on concrete measures that will make it possible for Quebecers and Canadians to find work.

Allow me, Mr. Speaker, to sum up these various arguments. Our government has said that it would withdraw from job training, and it is. We are going to focus our efforts on effective measures that have a tangible impact. We have made a commitment to harmonize efforts and to strike partnerships so that we can provide real benefits for our clients and for the future of employment insurance.

As part of this employment insurance proposal, we invite the provincial governments to collaborate with us in designing and distributing employment benefits.

I was therefore delighted to see that the Quebec government has taken an important step toward an agreement. When the Quebec National Assembly voted in favour of the Liberal amendment urging it to discuss with the federal government, it made a decision that gives us some hope. It took a step that should eventually improve the choices offered the unemployed throughout Quebec.

We are confident that our commitment to fully respect provincial jurisdiction over education and training is a step in this process. We feel that our commitment to harmonize our activities with those of the provinces is another.

[*English*]

The government has always been committed to flexible federalism and to flexible approaches on federal–provincial issues such as working together to help the unemployed.

[*Translation*]

Everyone will benefit from this type of collaboration.

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, while the minister said in his opening remarks that his government's main concern was with jobs, I can tell you that this government's biggest failure is precisely in that area, in spite of the fact that it got elected on a platform of "jobs, jobs, jobs".

These jobs are nowhere to be seen in Canada, let alone in Quebec. Unemployment is running as high as 10 per cent in Canada. What the minister is suggesting today does not reflect reality.

He also said that the federal government plans to withdraw from occupational training, but at the same time, it is putting forward unemployment action measures to try to interfere, once again, in areas of provincial jurisdiction, because education and occupational training come under provincial jurisdiction.

• (1525)

I must say that I agree with the resolution passed by the Quebec National Assembly saying that the Government of Quebec is prepared to undertake negotiations with the federal government, provided that the federal government completely withdraw from occupational training.

Does the minister agree with the federal government's complete withdrawal from the area of occupational training?

Mr. Massé: Mr. Speaker, the first question or comment made by the hon. member, to the effect that there has been no job creation, is just not factual.

The fact of the matter is that, since we took office, 509,000 new jobs were created in Canada. I am quoting Statistics Canada figures. More than 119,000 new jobs were created in Quebec. That is my answer to the first question.

When we look at the facts, we can seen that jobs, in fact more than half a million new jobs, have been created in the economy. Our economic and job creation policies work.

Second, regarding occupational training, we must make a distinction between two things. Quebec claims jurisdiction in the matter because education is a provincial jurisdiction. This means that we must withdraw from all training courses coming under their jurisdiction. But there is another jurisdiction involved which is a federal jurisdiction and, in fact, an exclusive federal jurisdiction, and that is unemployment insurance.

When we draw money from the UI fund to reduce unemployment, we are acting like any responsible person would in spending adequately the funds allocated to them; that is our jurisdiction. We are trying to limit future UI expenditures and to stimulate employment.

A measure designed, for example, to supplement a person's income to allow this person to find a job or to subsidize his company so that he can have a job clearly does not pertain to training. It is an employment measure coming fully under federal jurisdiction and involving the UI fund, over which the federal government has exclusive responsibility.

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I listened with great interest to the member who spoke about the great amount of jobs that had been created since the Liberal government took over. I beg to differ with him. If jobs have been created, it certainly has not been as a result of the federal government. Any jobs that have been created have been done through the private sector.

When will the government realize that governments do not create jobs? The best thing that governments have been able to create over the last many years is debt. If job creation programs instigated by parliaments were successful, everybody in Canada would have at least two jobs.

The other day I asked the Minister of Human Resources Development about changes in the delivery of the training programs. He said that we really should be transferring resources to the people, to the private sector and to communities. I would certainly like to see that. I applaud the minister for even thinking about transferring training to the private sector. That is a great leap in attitude for the Liberal government. I would like to see that come about.

In the private sector at least the training would be job specific. It would be specific to the marketplace. The marketplace would have some say in what sort of training should take place rather than having training programs that are supported for example under section 25 of the Unemployment Insurance Act, whereby moneys are allocated to very questionable job training prospects. When I ask about those specific projects that take place in our area, because I would like to have some feedback as to what kinds of permanent jobs have been created and how many people have become employed as a result of those projects, I get very little response. As a matter of fact, I am waiting to get some information as to how successful or unsuccessful those programs are.

• (1530)

I believe the Bloc has come up with a good motion. However, I do not believe it is specific to Quebec. We are talking about Canada. Of course the Bloc oftentimes only speaks about the province of Quebec. This is certainly relevant in my province of Alberta, as it is in la belle province. The Bloc would have had our support if the motion had not been strictly specific to Quebec.

The auditor general questioned the effectiveness of this program. This is not simply an idea the Reform Party has come up with or the Bloc has come up with. The auditor general stated in his report: "In studying programs that pumped about $4 billion into regional development over eight years, administrators often just added up the number of jobs the projects they funded were supposed to create and concluded that the programs had created those jobs". That is hardly the way to assess the effectiveness of the program. There should be more accountability with respect to these programs.

It is noteworthy that there will be a rebate to people who are part time employees. If they do not earn more than $2,000 their contributions will be refunded. However, the employee's contribution will not be refunded to the employee. That will have the reverse effect of what the Liberal government says will be a job incentive program. Anything that taxes the people who employ people will have a negative effect on the number of people who are employed. We should be doing more to remove payroll taxes. We should not be putting more roadblocks in the way of business, industry, and private enterprise. We should give them more of a break to ensure they become successful.

My dad used to say that when you work for somebody you have to make sure you make them a dollar or they could not possibly afford to pay you. That is something that may have escaped hon. members opposite.

Having looked at this motion, I move, seconded by the hon. member for Yorkton—Melville:

That the motion be amended by deleting all the words after "sector".

• (1535)

The Speaker: I have looked at the amendment. Because it is the deletion of words I am going to accept it.

[*Translation*]

Resuming debate. The hon. member for Pierrefonds—Dollard has the floor. I understand you will be sharing your time with another member.

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, I think that Bill C–111, introduced in the House last Friday by the Minister of Human Resources Development, is one of the most modern pieces of legislation introduced by this government.

As Prime Minister Jean Chrétien said, the proposed reform aims to help jobless Canadians to rejoin the workforce as quickly as possible, and to regain the dignity associated with working.

Employment insurance is designed to promote the development of the Canadian workforce, as well as economic growth.

To that end, the new employment insurance program proposes new measures geared to the needs of individuals and communities.

It also seeks to promote partnership and co–operation with the provinces, with the sole purpose of improving the well–being of Canadian workers.

In co–operation with the provinces, and in the context of a new vision and a new approach, we want to provide Canadian workers with the tools and the opportunities that will help them find their niche in the workforce. Along with the provinces, the private sector and community organizations, we want these workers to have jobs that will make our country competitive on the international markets.

Governments must work together to meet the challenges of the new economy and provide workers with the necessary skills and knowledge.

Employment insurance proposes a system that is better suited to the needs of those who want to find work in the modern labour market. For example, I can think of the workers who want to get training, so that they can meet the new labour market requirements, including in the professional and industrial sectors, to ensure their well–being and also contribute to the country's economic growth. Once fully implemented, the proposed reform will create between 100,000 and 150,000 jobs every year, including 40,000 in Quebec.

Employment insurance is a much more efficient program, because it recognizes the work effort, while also helping the unemployed. The proposed changes are fair to all Canadian workers, including those who hold part–time jobs.

This program is indeed more efficient. Once fully implemented, it will result in savings of two billion dollars, without depriving any Canadian of his or her rights. Out of that amount, $800 million will be reinvested in the employment benefit program. Adding to that amount the current budget of $1.9 billion for employment benefits, we get a total of $2.7 billion to be allocated to employment assistance each year. This is a unique and golden opportunity for those provinces interested in reaching agreements with the federal government to look after their workforce in a proactive fashion.

• (1540)

It was also our intention to ensure that Canadians living in high unemployment areas could take advantage of employment incentive measures in order to work more hours in a year. We have therefore established a $300 million transition job fund over three years, to fund independent growth–related employment in areas of higher unemployment.

In conjunction with our partners, we wish to encourage employers to create new jobs and to help the unemployed to return to the work force as quickly as possible.

Employment benefits are practical and efficient tools which assist those attempting to return to the work force with practical, and in some cases personalized, measures.

Since training is a provincial responsibility, and it is the federal government's intention to withdraw from that sector under the new legislation, skill development loans and grants will be given only after formal consent by the province concerned.

Employment benefits were designed to encourage personal initiative, to encourage people to make appropriate job search choices. There are management systems to help recipients plan their return to the work force in a methodical way. They will need to commit to following that plan, and there will be follow–up mechanisms.

We have sought to make wage benefits and all employment and re–employment measures as flexible as possible. All levels of government acknowledge the necessity of bringing their labour market–related roles in line with each other; duplication of effort, services and expenditures must be avoided, and initiatives must be co–ordinated. A province wishing to administer a service itself, or to substitute another program which would yield the same results, will be able to do so. The federal government is determined to act in as open a manner as possible, within the confines of its mandate under the national Constitution.

What will Quebec get out of this new legislative package? Respect of our jurisdictions, greater flexibility in human resource management, new opportunities for agreements, and the continuation of some of the many agreements already in place between us relating to employment insurance and human resources development.

To prevent overlapping initiatives and programs, we want to sit down with Quebec and see how we can focus our efforts in the area of manpower training. Parochial squabbles do Canadians a disservice and are counterproductive. We are here to serve all Canadians and that should be the only rationale for what we do.

If the province of Quebec already has a program, we are quite willing to let Quebec manage and determine the basic orientation of this program. We want to avoid duplication at all costs. It is too expensive, creates bureaucratic problems and prevents us from understanding the needs of workers and employers.

We will try to set up formal and specific agreements with the provinces. In each case, we will ask what instruments, programs and employment services should be designed and managed locally. This will be done keeping efficiency in mind. We must give each individual the tools he needs to get back on the labour market.

This means that on the basis of such agreements, Quebec will be able to assume responsibility for delivering an even larger number of projects, programs and services to its workers.

As Prime Minister Jean Chrétien announced a few days ago, the federal government will withdraw from manpower training activities. We will no longer purchase training courses from provincial institutions. We will withdraw from apprenticeship training, co–operative education programs and on–the–job training.

These measures must be implemented as soon as possible. We have provided for a transition period of up to three years to give the provinces and institutions time to adjust.

Since 1966, we have concluded agreements with Quebec as we have with other provinces in this country, and this proves that we are able to work in harmony to promote the well being of our human resources, with due consideration for the priorities of the province.

The employment insurance bill is a starting point for discussions with the provinces. These discussions may lead to various agreements depending on the particular needs of the provinces, their economic situation and the needs and circumstances of local labour markets. It is up to us to sit down together at the negotiating table and proceed with our discussions while considering our workers, the jobs they need and the economic development of all regions in our country.

• (1545)

In some cases, for example, a provincial government could manage federal employment measures or could use its own programs, rather than implement the proposed federal measures. Similarly, we could combine federal and provincial programs along with other programs from the private sector and the community.

These programs could be administered by the private sector, a local or provincial organization or a consortium. The employment benefits and services proposed in Bill C–111 are based on proven job creation practices.

Experience tells us that helping claimants set up a business is an effective way to return people to work. Since April 1994, 34,000 Canadians have set up businesses using this method. Seventy per cent of them were still active 18 months later. They create an average of 1.1 jobs.

A quick example, before I conclude. In February 1995, Dominique Grenier of Sainte–Agathe–des–Monts started a specialized business in software for people with a disability.

After four years of temporary jobs, he saw self–employment assistance as a way of getting a job. After only ten months, his business is expanding. Interest in his products, which help people cope with their environment, continues to grow. Next year, he intends to hire at least one person, and perhaps two. Here is what he says: "I would not have been able to carry this project out had it not been for the help I received from the Department of Human Resources Development. This sort of program is vital for anyone wanting to start a business".

In the interest of our fellow citizens, this bill deserves our support. It is centred on a single and vital objective: jobs that give Canadians, communities and regions real hope for the future.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened with great interest to the member's speech. I know he is very interested in his riding and I have heard him many times express his concern about the issue of employment in the province of Quebec. I recently had the opportunity to read a report by the Quebec Manufacturers' Association, who said that employment conditions and problems of labour and employability within Quebec were very serious. I would like to get the views of the member.

I understand unemployment insurance benefits in Canada are some of the highest in the western world. Many people feel that because these benefits are inordinately high compared to countries we compete with in international trade, it has created a lower productivity. In view of that, a number of people feel that productivity in Canada has been declining over the last ten years and no less so in Quebec.

A very positive aspect of this legislation would be to increase labour productivity, increase the attractiveness of Canada and of Quebec as a competitive place in which to do business. What we are really looking at is a long term commitment to create a great number of jobs within that province.

[*Translation*]

Mr. Patry: Mr. Speaker, I wish to thank my Liberal colleague for his question. This new employment insurance reform as proposed by the Minister of Human Resources Development will help us increase productivity in Quebec and across Canada.

There are several very interesting points in this reform; there are the responsibilities we will give to all job seekers. There will be wage subsidies and earnings supplements. I already mentioned self–employment assistance. There will also be partnerships with the provinces, municipalities, and the companies themselves to put people back to work.

• (1550)

I think that this is the most important. There will also be social incentives. Basing the reform on the number of hours of work and on earnings will greatly benefit the Canadian economy. There are inequities in the existing Unemployment Insurance Act in that some people can qualify for UI after working 15 hours a week for 12 weeks, while others who work 14 hours a week in part time jobs, perhaps for several years, have no chance of receiving UI benefits.

This bill will eliminate some inequities. In the case of lower income people, namely those working part time, some 500,000 of them will now be eligible for UI benefits should they need them—although I hope they will keep their jobs for as long as possible.

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I would like to ask my hon. colleague opposite a question.

Given that the opposition motion before us today deals with the perpetuation of duplication and overlap in the area of manpower, how does he react, as a Quebec member representing the interests of Quebec in this House, to the resolution unanimously carried yesterday in the Quebec National Assembly requesting that the federal government withdraw totally and completely from the whole area of occupational training and everything that pertains to it?

First, what is his reaction and, second, how can he reconcile not acceding to the unanimous request or wish expressed yesterday by the National Assembly with regard to this government's so–called good intentions in recognizing Quebec as a distinct society? If the federal government were not to comply with the resolution passed yesterday, how could he reconcile all that, as an elected representative supposedly here to represent the interests of the Quebec people?

Mr. Patry: Mr. Speaker, I wish to thank my hon. colleague from the Bloc Quebecois for his question.

I think it is relatively easy to reconcile the federal government's position and the interests of the people of Quebec, because our focus is on job creation. I believe that the Quebec government is looking into the matter and that future legislation passed in the National Assembly will also focus on job creation now that the referendum was defeated in Quebec.

As far as our reform proposal is concerned—and you referred to occupational training in particular—we feel that the bill now before the House of Commons makes it quite clear that the government intends to withdraw from occupational training completely.

I think that what must be understood with this bill is that the federal government would like all provincial and territorial governments of Canada to get together and look at how duplication can be eliminated. As I indicated in my remarks, as far as we are concerned, there is no question of us buying any occupational training courses whatsoever as we know them, because we must withdraw from occupational training with the consent of the province of Quebec.

I reach out to my hon. colleague and suggest that he ask his leader, who is very likely to become the next Quebec premier, to be not so kind but rather so wise as to come and sit down with the federal government to negotiate federal–provincial agreements on manpower training.

[*English*]

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, as a western Canadian, I welcome the opportunity to take part in this debate on the motion of the opposition party concerning our government's plans to reform the old system of unemployment insurance in Canada.

So far most of the discussion that has taken place since the Minister of Human Resources Development introduced the new act on Friday last has focused on the impact in the eastern parts of the country, in Quebec and Atlantic Canada in particular. It is important to keep in mind, however, that these reforms will impact in all parts of Canada. Canadians in every province will be potentially better off because of them.

A number of respected and knowledgeable Canadians, including several from western Canada, have already spoken publicly in support of the new legislation. There is broad support for the new program all across the country.

• (1555)

It is important that members of the House should assess the new employment insurance act in terms of what it will do for unemployed Canadians, not on how it fits with one political ideology or the other. It is also essential that we use this opportunity to help Canadians to better understand the new act, and especially to clarify some of the misconceptions that have arisen in some of the public discussion in the past few days.

The first thing that needs to be clarified is the question of the reserve, how the reserve that is expected to accumulate in the insurance fund will be used. I raise this because there has been concern expressed that any surpluses that may accumulate will be used to pay down the government's debt or reduce the operating deficit.

Let me be perfectly clear on this. Surpluses in the insurance fund will not be used to reduce the government's debt or deficit. The unemployment insurance fund has operated under a separate set of accounts in the past, and that will not change with the new law. The federal government acts as a lender of last resort for the account when it is in deficit, which by the way must be repaid with interest. Alternatively, when the account accumulates a surplus it will earn interest.

Since 1986, following the recommendation of the auditor general of the day, the unemployment insurance account has been part of the government's consolidated account. This is simply to provide an integrated report of the government's financial operations.

As with the unemployment insurance account, the employment insurance account will be separate from the government's consolidated revenue fund. It cannot be used for purposes other than those designated in the legislation. Thus, should there be any surpluses in the employment insurance fund, which is self–financed out of employer and employee contributions, it will stay in the EI account. To make it abundantly clear, EI premiums will not be used to pay down the debt.

It is true that the unemployment insurance fund is currently in a small surplus position. It is true that the minister has said it is the government's intention to increase the reserve in the account. The reason for this is quite apart from issues of deficit and debt reduction. The reason for this is to ensure the stability and long term sustainability of the EI program itself.

Members of the House may remember that during the last recession the unemployment insurance program was in serious financial difficulty. Benefit claims were climbing sharply, contributions were not covering the increased payouts, and the unemployment fund operating deficit was growing at an alarming rate. As everyone knows, for an insurance program a growing deficit between claims and premiums spells disaster.

The government of the day, in reaction to this impending disaster, was forced to raise premiums and then to raise them again. In a two–year period premiums increased by about 25 per cent. In fact over a five–year period premiums rose by 36 per cent, from $2.25 to $3.07.

The bad news is that these hefty increases in premiums, which I would remind hon. members are paid by the employers and the employees, were not enough to balance the account. At the end of the day, the fund eventually ran up a cumulative deficit of $6 billion.

People are tired of these big numbers. They are getting very used to them. I put this in perspective. The impact of a $6 billion deficit on a fund like this means hardship for the employers and the employees. In the first place, employers were faced with higher payroll taxes at a time in the economic cycle when they could least afford it. In effect, this served as a drag on job creation. Some estimates suggested that the premium increases killed as many as 40,000 jobs.

As for the workers, they too were faced with paying higher premiums, which meant they had less money in their pockets after deductions. The increased premiums reduced their after tax income at a time when the economy needed stimulation in the form of more consumer spending.

Fortunately, the system is now back in equilibrium. As I said earlier, we have a small but positive surplus in the account. The financial disaster in the UI fund was averted. No one wants that kind of situation to happen again. That is why it is extremely important that we build a surplus in the EI fund.

Should we get into a position where the reserve is judged to be sufficient, it will allow us to consider whether further premium reductions may be possible. The review of the adjustment to the reforms, which the legislation itself requires must take place by December 1998, will provide us with an opportunity to reassess

the financial stability of the fund and contemplate any such changes.

• (1600)

Where did the suggestions for these changes come from? As it turns out, the proposal to accumulate a reserve in the UI account came from the House of Commons committee which studied this issue and whose members recognized the necessity of maintaining a stable account through the economic cycle. They recognized the need to have money set aside in case of a downturn in the business cycle and the consequent need for higher UI payouts should this occur. For this reason they made a recommendation to keep a reserve against that possibility. This is what the term insurance reserve is all about. It is a matter of prudent fiscal management and has nothing whatsoever to do with deficit reduction.

This is not to say that our government has lost any of its firm resolve to deal with the deficit and debt situation we inherited. We remain firmly committed to the objective set out by the Minister of Finance. We are meeting our deficit reduction targets through operating efficiencies and other spending cuts. We expect to make significant savings with the new employment insurance act. How can this be? There are some very practical ways this could occur.

The first is that we are reducing the cost of premiums for both employers and workers. We are restructuring the system of benefits as we come to grips with a program whose costs have doubled from around $8 billion in 1982 to over $16 billion this year. We are introducing a number of new administrative efficiencies which will reduce the overhead costs of operating the unemployment program and will result in a more decentralized program delivery system.

These are important measures for western Canadians and in fact for all Canadians. Reducing premiums means that western Canadians will pay less for the benefit program and will receive more back for every dollar they contribute. This will reduce the amount of cross–subsidization of the program by western Canadians.

These are big changes. Of course sometimes big changes need a time of transition. For this reason government is committed to ensuring that in special needs areas, for example, where unemployment rates are higher than 12 per cent, those areas will receive transitional assistance during adjustment to the reforms.

In addition, the family income supplement will mean that low income parents on unemployment insurance could collect up to 80 per cent of their previous earnings. An important aspect of this new measure is that it treats the family as a unit for unemployment insurance purposes and not as a set of individuals.

We know that the best way to reduce costs in the unemployment program is to get people working again. It is not for nothing that the new program is called employment insurance. The new employment insurance program introduced last Friday contains a set of employment benefits that have been described as pro work. Some $800 million of the savings from unemployment reforms will be reinvested in these measures which are designed to help unemployed workers re–enter the workforce.

Western Canadian provinces will also have full access to the employment benefit measures. The objective of these employment benefits is to improve incentives to work and to reduce dependency on the EI system.

The new employment benefits include well targeted, results oriented measures such as wage subsidies, earning supplements, self–employment assistance, job creation partnerships and loans and grants to help workers improve their skills. Use of these employment measures will be tailored to meet specific labour market needs and priorities as determined within a decentralized context. The emphasis will be on flexibility, common sense and practical experience.

In addition, the future service delivery and decision making will take place as close to the local level as possible. Local skills and expertise will be used working in partnership with other levels of government, community groups, educators and others from the business community and labour organizations.

This new approach to unemployment assistance is based on the idea that effective programs can be designed and delivered in the region that will use them. Ottawa does not have to make all the decisions. It is based on our belief that people want to work. They do not want to draw UI time after time. With the new employment insurance program, we are giving them the tools to get back to work.

Other sceptics may ask whether this innovative approach will work in western Canada. The answer is it already is. The human resources development department has undertaken a number of pilot projects in western Canada which are based on this model.

There is a job creation partnership project in the area of tourism in Medicine Hat. Twenty–six seasonal or displaced workers became involved in a project jointly funded by the federal department and the city of Medicine Hat to help the city plan for an expansion of its tourism industry.

• (1605)

In the area of business start ups, in my home city of Saskatoon there is a self–employment assistance project which has helped 17 entrepreneurs start new businesses. A number of these people have in turn hired new workers.

Another example is in that very important area of making the transition from welfare to work. There is a self–sufficiency project in the lower mainland of British Columbia, a co–operative venture which provides earnings supplements to help single parents get off welfare and get back to work.

These are all practical working examples, not just airy–fairy hopes and dreams. This is why we know it will work in western Canada just as its works in all parts of the country. The door is open for the development of co–operative ventures with each and every province.

With the new employment insurance act this government has opened the way for individual provinces to work with the federal government to develop unique labour market programs which meet the needs of individual governments, regions and people. Because of this, I must disagree with the motion put forward by the hon. member for Mercier. It is my belief that contrary to that motion this government is doing everything—

The Acting Speaker (Mrs. Maheu): I am sorry, the hon. member's time has expired.

* * *

COMMITTEES OF THE HOUSE

HEALTH

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I rise on a point of order. I think you would find unanimous consent for a couple of motions.

[*Translation*]

I move:

That members of the Standing Committee on Health be authorized to travel to hold a briefing session on Preventative Strategies for Healthy Children in North Gower, Ontario, on February 8 and 9, 1996, and that the necessary staff do accompany the Committee.

(Motion agreed to.)

[*English*]

SUBCOMMITTEE ON HIV/AIDS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move:

That the House, pursuant to Standing Order 119.1(1), authorize the Subcommittee on HIV/AIDS of the Standing Committee on Health to televise its meetings scheduled for Wednesday, December 6, Wednesday, December 13 and Thursday, December 14, 1995 in accordance with the guidelines pertaining to televising committee proceedings.

(Motion agreed to.)

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

NOTICE OF CLOSURE MOTION

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Madam Speaker, I wish to give notice that with respect to the consideration of Motion No. 26 under Government Orders, Government Business, at the next sitting I shall move pursuant to Standing Order 57 that debate be not further adjourned.

* * *

[*Translation*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE REFORM

The House resumed consideration of the motion.

Mr. Philippe Paré (Louis–Hébert, BQ): Madam Speaker, in her speech, the hon. member for Saskatoon—Humboldt claimed that, generally speaking, Canadians were enthusiastic and appreciative as regards the reform proposed in the bill.

I can say that I heard of lot of opinions to the contrary. Many people have opposed several aspects of this legislation.

The hon. member also says, and I agree with her on that issue, that some decisions had to be made to try to reduce, if not eliminate, the UI fund deficit. It is true that something had to be done sooner or later about that.

However, based on what principle of social equity does Bill C–96 lower the contribution of high income earners, while increasing that of those who hold precarious jobs, particularly part–time workers?

In the end, the deficit will be reduced at the expense of the poor, not the rich. I would appreciate it if the hon. member could comment on that principle, because I cannot figure it out.

[*English*]

Mrs. Sheridan: Madam Speaker, I do not disagree with the hon. member opposite that there are some discordant notes and most of them are being played from that region of the House.

As with any bill there will be debate across the country but the provisions of the bill responded to a need that committee members heard when they travelled across the country just over a year ago. They heard a need for reforms to the unemployment insurance fund and the act, not only to the underlying principles but to the way the service is delivered. This piece of legislation goes a long way to providing that service delivery.

• (1610)

The second question concerned what principles of social equity this was based on. The provisions of the bill will go a long way to ensure there is greater equity among all Canadians. I would quote again as an example the changes from a minimum number of weeks to hours to take in part time workers.

I am not sure if I misunderstood what the hon. member said or if he misunderstood what I said. In terms of using the employment fund to reduce the deficit, I went to great lengths to say that is not in fact what the reserve will be used for. If that was his suggestion, I will say once more that the reserve in the employment insurance fund will not be used to reduce the debt and deficit. The surplus which is there will exist as a contingency. If it ever becomes large enough it will be used to reduce premiums. That would benefit both the employers and the employees which is quite an equitable solution.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Madam Speaker, first, I want to say that I will be sharing my time with the hon. member for Champlain.

I am very pleased to participate in the debate on the motion tabled by the hon. member for Mercier, which reads:

> That this House condemn the government for choosing to reform unemployment insurance in a way that maintains overlap and duplication in the manpower sector and thus prevents the government of Quebec from adopting a true manpower development policy of its own.

You will understand the relevance of that motion, following an almost historical event yesterday, in that a resolution was unanimously approved. Indeed, it is rare that western parliaments unanimously approve such resolutions. Yet, that was the case yesterday in Quebec City, where the three parties at the National Assembly, namely the Parti Quebecois, the Liberal Party and the Action démocratique, unanimously agreed on a resolution which provides, in part, that:

> Quebec must have sole responsibility for policies pertaining to manpower adjustment and occupational training within its borders and patriate accordingly the funding allocated by the federal government for these programs in Quebec;
>
> Within the current constitutional framework and in order to improve services to customers, Quebec must take over the control and management of various services pertaining to employment and manpower development and all programs that may be funded through the Unemployment Insurance Fund within Quebec's borders, and must therefore receive the funding appropriate to such responsibilities;
>
> The Government of Quebec and representatives of business, labour and the co–operative sector agree to oppose any initiative by the federal government that would constitute an invasion of Quebec's prerogatives.

This is a resolution that was unanimously approved, by a vote of 96 to nil, by the three parties sitting in Quebec's National Assembly. The timing of this resolution is all the more appropriate, given a particular aspect of that reform mentioned on page 3 of the release. I am referring to the national employment service. It is said that "a modernized employment service will help jobless Canadians organize and conduct job searches. The computerized information network on the labour market will be more powerful and will tell people where they can find work in every region of the country. To that end, the implementation of an improved and universalized version of the service delivery system in Canada's human resource centres was announced in August 1995".

People in Trois–Rivières know all about the implications of that announcement. This is the other reason why I am pleased to speak today and to discuss, for the third time in the last two or three weeks, issues that plague Trois–Rivières.

• (1615)

These are linked to one of the aspects of the minister's reform and relate to the creation of a new national placement system. It will be centred on the Department of Human Resources Development employment centres, and in our area it has been decided that the regional administrative centre, the focal point of departmental activities in our region, will be located, not where it would normally and naturally be, in Trois–Rivières, the regional capital which I have the honour to represent, but in Shawinigan instead.

This is, of course, a worthy city as well, one which knew glory in the days of natural resources development by the Shawinigan Water and Power, and is now represented as best he can by the hon. member for Saint–Maurice, the Prime Minister of Canada. The decision was made at the Department of Human Resources Development to have Shawinigan be the one to benefit from the regional administrative centre, instead of Trois–Rivières.

The question remains—since we are totally in the dark as to the reasons for this decision—was this a technocratic decision or a political one? If technocratic, it is confirmation of all of the public's prejudices against the judgment of technocrats in their ivory towers, away from life's realities, away from the grassroots, making decisions among themselves in comfort and behind closed doors. They hold meeting after meeting at which they convince one another of how justified their decisions are, without ever really worrying about whether those decisions are in the least bit rational.

If this is a technocratic decision, then we must condemn it out of hand, because it is based on absolutely nothing rational. I will offer you proof very shortly that it even contradicts the parameters set by the department itself.

The other explanation, perhaps a more plausible one, is that allmighty, all–rational, all–giving politics were involved, where the Prime Minister might have let it be known that common sense and interest ought to prevail, including the self–interest of the member for Saint–Maurice, to ensure that the residents of his riding, with all logic, all rationality thrown to the winds, would reap the benefit of the creation of this new centre instead of the region of Trois–Rivières, the city of Trois–Rivières ever being where workers are merely shuffled around without a job created. In fact, if my memory serves me right, there was more than shuffling, there were cuts, with 58 positions lost due to office closures.

Whether technocracy or politics were involved, the decision is indisputably illogical and arbitrary. As I have said, it contradicts the parameters the department has set for itself with respect to creating these regional centres. The parliamentary secretary will agree there was some kind of rationale. It is never easy to make these decisions, and that is why you need certain criteria.

The main criteria when making these decisions include the population affected, the number of unemployment insurance recipients affected, the number of welfare recipients and the number of businesses and employers likely to hire people on unemployment insurance and welfare.

In each case, Trois–Rivières represents more or less twice the activity, population, number of employers and number of unemployment and welfare recipients. That is why Trois–Rivières is the regional capital. It is the largest urban area and the most important one in terms of economic activity and population in the whole region. That is why it made good sense to have and keep this kind of service in Trois–Rivières.

The department, for reasons that remain obscure, decided to locate the service in Shawinigan. The decision was not only arbitrary and illogical but also very unpopular. Since September, a petition has been circulating, signed by more than 25,000 people, condemning this decision by the federal government. Seventy agencies took the trouble to draft resolutions condemning this decision, including 40 municipalities as well as community agencies.

• (1620)

This case has attracted the support of the Fédération des caisses populaires and the Fédération de l'âge d'or, because the elderly become anxious when they see changes coming and the regional federation got involved as well.

We are seeing a chorus of protests in the riding of Trois–Rivières and in the region, including Cap–de–la–Madeleine, a riding represented by my colleague from Champlain, Trois–Rivières–Ouest, in my riding, and even on the other side of the river, in Bécancour, which historically has always done business with Trois–Rivières because of its location.

So this illogical and unpopular decision will have certain practical consequences. This is not about protest for protest sake. The fact is that, under the new system, the paperwork will be done by the regional management centre in Shawinigan. People will register in Trois–Rivières, where the facts will be noted, without further processing. And any action subsequent to registration with the manpower centre, on three out of four files requiring additional processing, according to our statistics, will be taken from Shawinigan instead of being processed in Trois–Rivières as is now the case.

The minister claims it will make no difference and will not in any way change the quality of the services now enjoyed by the people of Trois–Rivières and surrounding area. Nevertheless, we should realize that departmental investigations following registration and all appeals to the UI board of referees, for instance, will from now on, according to our information, be done in Shawinigan instead of Trois–Rivières.

Do not tell us there will be no drop in the quality of service for the Trois–Rivières area. That is just not true.

This decision is arbitrary, illogical, technocratic and political, and above all, it was made without any consultation with regional partners.

As I said before, the government has three alternatives, one being the status quo, leaving things unchanged in Trois–Rivières and setting up a centre in Shawinigan for the northern Saint–Maurice area, but the government should not establish a regional management centre in Shawinigan for the whole region, as it is about to do.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, as I listened to the member's comments about this bill I became very confused. He started off criticizing the federal government's spending power, presumably under the whole aspect of manpower training. Basically what has been asked for is the federal government not use that power in such a way that it would create duplication and overlap within provincial jurisdictions.

I hear the federal government has consented to that and has basically said it will not use its spending powers. However, they want the government to do both. They want the government to give them the money in addition to curbing its powers. The reality is they want to have their cake and eat it too.

Worse than that, the hon. member went on to give us a dissertation from the national assembly in Quebec City which would, as I understand it, basically say we should have no presence there whatsoever. The member continued to argue why we should have a placement centre in his riding of Trois–Rivières. It would be more consistent if he argued there should be no placement facilities either in Shawinigan or his own riding.

It seems terribly inconsistent to me. The argument seems to have developed into "we want to have the spending, we do not want you around, but we kind of want you around too". We had a very looped discussion.

What really concerns me is the discussion about labour mobility. Basically what has been stated is that the federal government has no presence in the whole aspect of placement throughout the whole country as a nation. I do not know what the member is saying. If he has unemployed workers in Trois–Rivières and there are jobs available in New Brunswick or possibly Ontario or another jurisdiction, would he rather have those people in Trois–Rivières continue to be unemployed? Is that basically the philosophy behind these comments? Possibly the member could clarify that for me.

• (1625)

[*Translation*]

Mr. Rocheleau: Madam Speaker, I thank the member for his question. It gives me the opportunity to pursue my line of thought and show the arbitrariness and illogic of the decision or proposal, because we hope it is still a proposal, to locate the centre in Shawinigan instead of in Trois–Rivières. It is a matter of good common sense. It is clear. Trois–Rivières is the regional capital of the Mauricie region; this is a fact.

Certainly, if we undermine its character like this, take the stuffing out of the regional capital, maybe we will no longer have one. Shawinigan may not be a desirable choice, because it is not as well situated.

We have to bear in mind that this decision is not only arbitrary, it is political. It has all the earmarks, at least according to our information. We can see that the Prime Minister is looking after his own political interest to show he is working for his constituents, while leaving far behind the collective interest of the Mauricie region.

There are two types of people. The people of Shawinigan, and they have a lot of good common sense, are very aware of the outlandishness of the situation. They are also increasingly uncomfortable, like the federalists in Trois–Rivières, who are well aware that, in logical terms, the decision is untenable, because, historically, economic activity has been focussed in Trois–Rivières primarily. They know a major centre has to be maintained. Everyone knows that the decision, with its obvious political overtones, is untenable.

I reiterate the three options open to the government. It could maintain the status quo, keeping Trois–Rivières as the main centre of activity for the entire region; it could set up a centre in Shawinigan to satisfy the Prime Minister's fancy while retaining Trois–Rivière's regional nature, incorporating Bécancour; or it could implement its plan, which should not be done, especially as regards Shawinigan becoming the regional capital. Shawinigan lacks the attributes of a regional capital—although the people there are very nice—but it lacks a pool of employers and of people and claimants, who do benefit arbitrarily although highly politically, at the expense of individuals, employers, seniors and community organizations. We will never agree with a decision that means we have to go all the way to Shawinigan.

[*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 Okanagan—Similkameen—Merritt: national defence; the hon. member for Vancouver Quadra: Vietnam.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Madam Speaker, first of all, I would like to remind the members of this House that job training has historically been an area of provincial jurisdiction.

The federal government sneaked in through its jurisdiction over unemployment insurance and put in place a multitude of employability development programs. Over time, and given the costs involved, the federal government has decided to restructure its authority, reduce its financial involvement, and increase its visibility. This is probably the basis of the reform proposed by Minister Axworthy.

However, for several years now, there has been in Quebec a consensus to repatriate manpower training powers. The government, labour unions, and the Conseil du patronat du Québec are hoping the federal government will take a concrete step in this direction in the interest of users, both employees and employers, as outlined in a 1991 letter made public by Quebec employment minister Louise Harel and signed by her Liberal predecessor, André Bourbeau, which condemns any attempt by the federal government to fund labour training through groups and organizations.

• (1630)

The Prime Minister of Canada is using the principle of decentralization to play politics by sending directly to Quebecers cheques allowing them to adapt their training to the new realities in the labour force. He has just missed a good opportunity to establish constructive relations between the Canadian federation and its provinces.

The federal government's position in this area denotes a lack of respect for Canada's provinces and supports its efforts to centralize powers. By acting this way, the federal government is trading effectiveness for visibility while contributing to anarchy.

The minister's bill specifies that he will try to conclude with the provinces official agreements on the implementation of four manpower programs designed to put people back to work. However, should he be unable to come to an agreement with the provinces, he reserves the right to implement his programs with or without their consent. The federal government gives itself the right to bypass the provinces, in case no agreement can be worked out. Does the Minister of Human Resources Development agree with us that the provinces will negotiate with a knife at their throats?

The fifth program announced by the minister provides for the establishment of a job creation fund amounting to $300 million over three years, which is not distributed among the provinces. To obtain federal funds, the provinces and perhaps even the municipalities will have to inject an equivalent amount. This type of funding favours the richest provinces. This goes against the objective of the fund, which is to create jobs in high unemployment regions.

On the one hand, the minister is promoting overlap between the various levels of government and supporting the costs, and on the other hand, he is tightening UI qualifying conditions and reducing UI benefits.

For the second year in a row and in spite of the UI account surplus, the Minister of Finance announced in his February budget speech that the funds allocated by the Treasury Board to the Canadian job strategy administered under the unemployment insurance program would be cut by an additional $1.1 billion for fiscal years 1996 and 1997.

At the same time, the Minister of Human Resources Development is announcing that $800 million will be allocated to training programs to promote job readiness. This new resource envelope being funded through the UI fund, the government is able to save $300 million on the backs of employers and employees just by shifting the load.

By introducing in his reform the notion of weekly hours of work and by increasing the number of weeks of work required to qualify for benefits, the minister is going after part time workers, most of whom are women, and seasonal workers, the most vulnerable segment of our society. By acting this way, the minister is giving a one–way ticket for social assistance to a larger number of Quebecers, as more than 40 per cent of new welfare recipients were previously on UI.

Once all of minister Axworthy's proposals will have been implemented, they will represent a $640 million shortfall for the people of Quebec. In my riding, the economy is heavily dependent on the expansion of the tourist, forestry, farm and business industries, all of which provide mostly part time and seasonal employment.

On the whole, UI reform represents a shortfall of approximately $7 million just in my riding.

The federal government is drawing its inspiration from the cuts Alberta and Ontario made on the backs of workers and the disadvantaged. The Chrétien government could show some initiative and daring in cutting tax benefits for large companies and the best paid members of our society, but apparently he would rather disguise his deficit reduction effort as a social program reform.

According to a document released by the HRD department, the reform making the unemployment insurance into an employment insurance is designed, among other things, to help unemployed workers meet the challenges of new job requirements and career renewal.

• (1635)

Could the minister tell us how, concretely, his reform proposal will resolve the persistent disparity between the ever increasing number of unemployed and the 300,000 jobs that remain vacant every year in Canada, because the unemployed lack adequate training?

This reform will certainly perpetuate overlap between levels of government and the associated costs, but it will also force all those who are looking for a job or for further training to go back and forth between their Canada employment centre, the regional office of the Société québécoise de développement de la main–d'oeuvre, educational institutions and aid agencies. The people of Quebec and Canada will not only have to bear the brunt of this reform, but they will also have to put up with the drawbacks of overlap. That is the real impact of the Axworthy reform.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I listened to the comments of the hon. member. I must admit it seemed there was more discussion about governments and partisan issues than about people. I was concerned that the member had not really addressed the basic issues and the needs of the workers of Canada, regardless of what province they live in. We only have one taxpayer. The important issue is that we really make sure the services provided to Canadians are focused and efficient.

The member talked a little about the fact that in his opinion job training is the sole jurisdiction of Quebec. He said there was federal encroachment by this legislation that has come forward before the House and basically reduced it to a simple matter of petty politics. He then concluded that Quebecers needed full control over manpower training but then concluded we need a constructive partnership. In itself, that is a total contradiction. You cannot have full control and a constructive partnership at the same time.

My real question has to do with the whole UI issue. The member seems to talk about the UI distribution as some sort of instrument of equalization of benefits. Quite frankly, every region of Canada should have one objective, and that is to eliminate all benefits for all Canadians because we will not need them. We need people to get jobs. UI is not a matter of

equalization. Our objective should be to reduce the amount of benefits paid through job creation.

Would the member try to deal with the essence of the subject really being not equalization but rather the best interests of Canadians?

[*Translation*]

Mr. Lefebvre: Madam Speaker, earlier I listened to the speeches made by several members opposite. I listened carefully. One of them mentioned that, under the new program, a worker unemployed for 52 weeks would—

The Acting Speaker (Mrs. Maheu): The hon. member must addresss his comments to the member who just spoke, namely the member for Mississauga South.

Mr. Lefebvre: Madam Speaker, I will remember that. One of his colleagues said that a person working 14 to 15 hours a week for 52 weeks would benefit—

The Acting Speaker (Mrs. Maheu): Again, I remind the hon. member for Champlain that his observations must relate to comments made by the member who asked the question, not to those of another speaker.

Mr. Lefebvre: I understand, Madam Speaker. It is because I do not have the name of the hon. member's riding.

An hon. member: Mississauga.

Mr. Lefebvre: Mississauga. Fine. I will now continue. The member opposite told us that the new UI program is beneficial to those who never collected UI benefits. He referred to people working 14 to 15 hours. However, if we multiply those 14 or 15 hours by 52 weeks, we realize that it is impossible for these people to be eligible for UI benefits. The numbers do not add up.

• (1640)

[*English*]

Mr. Derek Wells (South Shore, Lib.): Madam Speaker, thank you for the opportunity to address the Bloc motion on the subject of unemployment insurance reform. I can only begin by saying how astounded I am that such a motion could have been drafted, let alone introduced at this time.

What is the source of the motion? What unemployment insurance reforms are the hon. members of the opposition thinking about? I presume it is not the same reform that was introduced by the Minister of Human Resources Development last Friday.

I heard the Prime Minister's announcement a little over a week ago. I read the documents. What I and millions of Canadians heard was a statement from the Prime Minister that the federal government respects and recognizes the jurisdiction of the provinces in education and training. Millions of us heard him say the federal government is therefore withdrawing from the direct purchase of training, from apprenticeship training, co–operative education programs, and workplace based training. We heard him announce that agreements with the provinces will be sought on the design and delivery of proposed employment benefits in order to harmonize them with provincial programs. We heard him explain that in some cases the provincial government or a provincial agency could be responsible for delivering these federal measures. Indeed, he was at pains to point out that in other cases provincial programs could be used instead of the proposed federal measures.

He made it perfectly clear to millions of us that funding for training will only be provided by the federal government with the consent of the province concerned. Depending on the agreement reached, it could be provided to individuals, to the provincial government, or to a third party. He stated clearly and ultimately that this arrangement can allow a province, if it wishes, to assume full responsibility for these employment measures, subject only to the proviso that the federal government's responsibilities to ensure the needs of the unemployed are addressed and that the measures that allow them to return quickly to the workforce are met.

The employment insurance reforms specifically and deliberately seek to eliminate overlap and duplication. The reforms will mean that even more than ever a province will be able to develop a comprehensive labour market strategy and policy. It is surely a distortion to maintain otherwise.

It is always difficult to bring about true reform. In the case of a program as well ingrained in the economic and social fabric of Canada as the unemployment insurance program, it is doubly difficult. I am concerned that factual distortion of the sort presented by this motion will damage public understanding of the reform package, especially in Atlantic Canada, where a sound understanding of the new system is of paramount importance.

I believe it is important for Atlantic Canadians to know the facts so they can be aware that the reforms provide much needed structural adjustments, which are absolutely necessary and which over the long term will be good for Canada and for Atlantic Canada.

The opposition members should also take note of the fact that these reforms will help high unemployment regions like Atlantic Canada. This reform package will create 100,000 to 150,000 new jobs, and 45,000 part time workers in Atlantic Canada who are now not eligible for benefits will qualify under these reforms.

Unemployment insurance was never a solution to the Atlantic regional unemployment, nor was it meant to be. We are now facing the fact that it has actually become a cause of unemployment. In other words, it is part of the problem and not the solution. Many people are better off collecting UI than accepting the work that is available. In a recent survey of small

businesses in Atlantic Canada, 45 per cent of respondents said they want to hire but cannot compete for workers with the social programs, particularly UI.

The new employment insurance legislation is a balanced package that improves work incentives, reduces dependency, and increases fairness while helping Canadians get back to work.

• (1645)

Specifically what does this mean for the Atlantic provinces? It is true that we are cutting overall spending. There will be impacts on Atlantic Canada. We should remember that when reinvestment is taken into account the overall reduction in the region will be no more than 7 per cent. On the whole each of the four Atlantic provinces currently receives more in benefits than it pays in premiums. Although the ratio will be lower they will still be net recipients after reform.

Another important impact for Atlantic Canada is that during the transitional period regions with high unemployment will receive more in terms of job support programs. About $800 million in savings from the new system would be reinvested in proven job support programs to create opportunities and to help more people get into the job market.

By fiscal year 2000–01, $214 million or 27 per cent of that amount will go to Atlantic Canada. Further, to stimulate the economy in high unemployment areas transitional job funds will provide $300 million for job creation over a three–year period. This is in addition to the $800 million being invested in job support programs.

On the benefit side, people in high unemployment areas will need fewer hours of work to qualify for benefits and will be able to receive benefits for a longer period.

There are other provisions affecting seasonal workers and as we all know Atlantic Canada has more than its share. Under the new system, although some seasonal workers in industries like fishing, forestry and agriculture will receive lower benefits, they will nonetheless get more out of the program than they pay in premiums. They will have more incentive to work outside the peak season because additional work will now not only increase earned income but provide increased benefits as well.

Workers, employers and communities have to be able to cope with the substantial change the employment insurance scheme will bring to the Atlantic region, so the new system will be introduced gradually over several years.

The new employment insurance system will bring essential change to the Atlantic region. We believe the employment insurance active employment measures will lead to stronger labour markets and a more skilled workforce, which in turn will attract investment and jobs.

In the Atlantic region the federal government already works in partnership with the provinces, municipalities, community organizations and the private sector to design and deliver re–employment programs. There are education and training initiatives, personal and business counselling, wage subsidies, self–employment assistance and special programs for women, youth, aboriginal people, individuals with disabilities and members of racial minorities.

Whenever possible both individuals and local communities are encouraged to take responsibility for their own development.

The old UI system trapped people in a cycle of dependence. The new system is designed to help people help themselves. I want Atlantic Canadians to understand that fact and not be distracted by the naysayers. This is why I say the motion before us should be viewed in Atlantic Canada and across the country as the distortion it truly represents.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I thank the hon. member for South Shore for providing the House with an insight into the situation in Atlantic Canada. There has been much said in the media and among members of Parliament who perhaps do not know the situation very well in Atlantic Canada.

One of the impressions given in some media reports is that it is somehow the norm in Atlantic Canada that people would work for only a few months and make a substantial amount of money, that it was simply a way of life to go on UI. The member has dispelled that very well. The constituents of South Shore should know how very hard and how very ably their member has represented the interests of Atlantic Canada.

• (1650)

With regard to the media impression that has been given, could the member elaborate a bit more on the kinds of things that have been happening, from his experience in South Shore and Atlantic Canada, in reaction to the proposals and on his expectations with regard to the potential benefits of the new program?

Mr. Wells: Madam Speaker, I did an interview in my riding last week. Some people who discussed the issue were in favour of some parts of the program and against other parts. To suggest that we can bring in this substantial change without there being some negative comment is not possible. Certainly when people will be affected there will be some negative comment.

However, on balance it is clear to me from discussions with the business community and others in my riding that the change from weeks to hours is very positive. Every hour of work will now count in the seasonal industries. In many of the industries in Atlantic Canada people do not work a 35–hour week during peak periods. They work 40, 50 and 60 hour weeks. Now they will get credit for all the extra time, whereas in the past they would only get credit for the week regardless of the number of hours. That

is a very positive aspect that has been accepted and endorsed by Atlantic Canadians.

As I stated earlier, there will be at least 45,000 additional people in Atlantic Canada who will now qualify for benefits. They are not getting benefits now because in most cases they are working less than the 15 hours presently needed to qualify.

In addition there is the new family support benefit, a family income supplement for low income families with children. This provision will allow claimants to earn up to 80 per cent of their insured income.

Those are three points but there are others. I could perhaps cite six or seven other provisions that are very beneficial to Atlantic Canadians which will offset some areas where without question some adjustment will be needed. We all recognize that we need to make structural changes to make the system an employment program as opposed to an unemployment program.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Madam Speaker, I must say that I was very disappointed and even shocked to hear the comments of the member who just spoke.

Throughout his speech, we had the impression that he feels the unemployed are lazy people and that making them hungry will somehow help create jobs.

A supermarket recently opened in my riding. It needed to hire 60 people, mostly for part–time jobs. Yet, 2,000 people showed up. It is not true that the unemployed are lazy. What is true, though, is that there are no jobs for people willing to work. Jobs will not be created by making these people hungry.

[*English*]

Mr. Wells: Madam Speaker, that comment is very much like the motion, a distortion of the true facts. That is certainly not what I said or implied. To even suggest it to me is an insult. I did not say that. I will not suggest it. The member should not even think it.

We all recognize that people who are out of work are not out of work by choice. At the same time the present system is not helping them. We are trying to bring in employment measures that will assist these people to get the tools and that will help industry and business create the jobs these people badly want.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Madam Speaker, in support of my colleague for South Shore, I simply advise the member from the Bloc that we from the maritimes need not be told that unemployed people are not lazy.

• (1655)

I will speak to a number of benefits included in the minister's recent announcement. Probably the most important benefit concerns the fact that employment insurance will now be much more inclusive. There are estimates that up to half a million people who were not eligible to be included in the benefits of the unemployment insurance will be included for benefits under employment insurance.

I cannot overestimate how important that provision is because it will allow many Canadians inside the system who currently are on income assistance in the province of New Brunswick to qualify. In many cases they could not find sufficient numbers of weeks to work but could certainly find the number of hours necessary under this provision. There will be people in my province who will be able to qualify with nine or ten weeks of work who might have needed to find fourteen or fifteen weeks of work in the past. They will have access to the program by virtue of the fact that the industries in Atlantic Canada are very seasonal. During peak periods they can work long hours but they cannot extend the long hours over a large number of weeks. It is very important that it has a very progressive outcome by virtue of that.

THE ROYAL ASSENT

[*English*]

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

Madam 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.

• (1710)

And being returned:

The Acting Speaker (Mrs. Maheu): I have the honour to inform the House that when the House did attend Her Honour the Deputy to His Excellency the Governor General in the Senate chamber, Her Honour was pleased to give in Her Majesty's name the royal assent to the following bills:

Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act—Chapter No. 38.

Bill C–68, an act respecting firearms and other weapons—Chapter No. 39.

Bill C–61, an act to establish a system of administrative monetary penalties for the enforcement of the Canada Agricultural Products Act, the Feeds Act, the Fertilizers Act, the Health of Animals Act, the Meat Inspection Act, the Pest Control Products Act, the Plant Protection Act and the Seeds Act—Chapter No. 40.

Bill C-102, an act to amend the Customs Act and the Customs Tariff and to make related and consequential amendments to other acts—Chapter No. 41.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE REFORM

The House resumed consideration of the motion and the amendment.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Madam Speaker, one of the benefits of the recently announced employment insurance amendments has to do with the fact that coverage is going to be broadened quite considerably. Many people will have access to employment insurance who have not had access to it in the past.

Another significant advantage is the low income protection contained in the amendments. This will allow up to 80 per cent of insurable earnings to be covered for low income families with children.

There are also the advantages in terms of the long term political viability of the program in that high income earners will have a greater percentage of their benefits clawed back. As an Atlantic Canadian, I am somewhat tired of all of those who point to us and talk about all those wealthy people who are drawing unemployment insurance benefits after making large amounts of money. It does not happen very often. By introducing this clawback we will be able to establish that more quickly in the minds of Canadians.

I also point out the importance of the employment benefit programs that are part of the package. There were 39 in the past which have been reduced to five. Those five programs will now be managed essentially by local officials which means if one element of the package is more suitable to my constituency then all of the attention could be placed in that area. That is a huge improvement.

The job partnership program meets a very real need in my part of Canada. Many people do not acquire enough coverage for the full 52-week period. For example, people are eligible for 26 weeks of insurance benefits yet their summer job or their seasonal job does not start until 10 weeks beyond that.

One of the elements of the new employment benefit package is a job partnership program which will allow job creation opportunities in the communities. This will allow people to fill in that gap when they otherwise would not have benefits or income.

I pay tribute to the minister for last year's consultation. As an Atlantic Canadian, I have been particularly concerned about the bill and the UI changes. I can only say good things about the amount of consultation the minister has allowed and I understand he is going to continue to receive when we look at the bill in committee.

The Acting Speaker (Mrs. Maheu): It being 5.15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply pursuant to Standing Order 81(16).

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed 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.

• (1740)

[*Translation*]

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

(*Division No. 389*)

YEAS

Members

Ablonczy	Benoit
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	Duncan
Epp	Forseth
Grey (Beaver River)	Grubel
Hanger	Hanrahan
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Johnston
McClelland (Edmonton Southwest/Sud-Ouest)	Meredith
Mills (Red Deer)	Penson
Ringma	Scott (Skeena)
Silye	Solberg
Speaker	Stinson
Strahl	White (North Vancouver)
Williams—33	

NAYS

Members

Adams
Allmand
Anderson
Assad
Asselin
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Bélanger
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Blaikie
Bonin
Brien
Brushett
Calder
Caron
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Crawford
Daviault
Deshaies
Dhaliwal
Dromisky
Duceppe
Dupuy
Eggleton
Fillion
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier
Godin
Graham
Grose
Guay
Harb
Harvard
Hubbard
Iftody
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loney
MacDonald
Malhi
Manley
Marchi
McCormick
McKinnon
McTeague
Mercier
Milliken
Minna
Murphy
Nault
Nunziata
O'Reilly
Paré
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Proud
Regan
Rideout
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
Speller
Alcock
Althouse
Arseneault
Assadourian
Augustine
Axworthy (Winnipeg South Centre/Sud-Centre)
Bélair
Bélisle
Bellemare
Bernier (Gaspé)
Bethel
Bhaduria
Blondin-Andrew
Boudria
Brown (Oakville—Milton)
Caccia
Campbell
Catterall
Chan
Clancy
Collins
Cowling
Crête
de Jong
DeVillers
Discepola
Dubé
Dumas
Easter
English
Finestone
Flis
Fry
Gagliano
Gagnon (Québec)
Godfrey
Goodale
Gray (Windsor West/Ouest)
Guarnieri
Guimond
Harper (Churchill)
Hopkins
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Lincoln
Loubier
Maclaren
Maloney
Marchand
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunez
O'Brien
Pagtakhan
Parrish
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Richardson
Ringuette-Maltais
Rocheleau
Sauvageau
Shepherd
Simmons
Solomon
St-Laurent
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Tremblay (Rosemont)
Vanclief
Volpe
Wappel
Whelan
Young
Steckle
Stewart (Northumberland)
Taylor
Terrana
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—190

PAIRED MEMBERS

Bachand
Bodnar
Canuel
de Savoye
Fewchuk
Hickey
Langlois
Martin (LaSalle—Émard)
Phinney
Barnes
Bouchard
Dalphond-Guiral
Debien
Gallaway
Knutson
MacLellan (Cape/Cap-Breton—The Sydneys)
Ménard
Pomerleau

The Acting Speaker (Mrs. Maheu): I declare the amendment lost.

The next question is on the main motion.

Mr. Boudria: Madam Speaker, if you were to seek it, the House would probably give its unanimous consent that those members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

Mr. Duceppe: Madam Speaker, members of the Bloc Quebecois will vote in favour of this motion.

[*English*]

Mr. Ringma: Madam Speaker, Reform members, except if they wish to do otherwise, will oppose the motion.

Mr. Solomon: Madam Speaker, members of the New Democratic Party vote no on this motion.

Mr. Bhaduria: Madam Speaker, I vote against the motion.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 390*)

YEAS

Members

Asselin
Bellehumeur
Bernier (Gaspé)
Brien
Chrétien (Frontenac)
Daviault
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Nunez
Picard (Drummond)
Rocheleau
St-Laurent
Bélisle
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Caron
Crête
Deshaies
Duceppe
Fillion
Gauthier
Guay
Jacob
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Mercier
Paré
Plamondon
Sauvageau
Tremblay (Rosemont) —42

NAYS

Members

Ablonczy
Adams
Alcock
Allmand
Althouse
Anderson
Arseneault
Assad
Assadourian
Augustine
Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre/Sud–Centre)
Bakopanos
Bélair
Bélanger
Bellemare
Benoit
Bethel
Bevilacqua
Bhaduria
Blaikie
Blondin–Andrew
Bonin
Boudria
Breitkreuz (Yorkton—Melville)
Bridgman
Brown (Calgary Southeast/Sud–Est)
Brown (Oakville—Milton)
Brushett
Caccia
Calder
Campbell
Catterall
Chamberlain
Chan
Chatters
Clancy
Cohen
Collins
Comuzzi
Cowling
Crawford
Cummins
de Jong
DeVillers
Dhaliwal
Discepola
Dromisky
Duncan
Dupuy
Easter
Eggleton
English
Epp
Finestone
Finlay
Flis
Fontana
Forseth
Fry
Gaffney
Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Goodale
Graham
Gray (Windsor West/Ouest)
Grey (Beaver River)
Grose
Grubel
Guarnieri
Hanger
Hanrahan
Harb
Harper (Churchill)
Hart
Harvard
Hayes
Hermanson
Hill (Macleod)
Hill (Prince George—Peace River)
Hopkins
Hubbard
Ianno
Iftody
Irwin
Jackson
Johnston
Jordan
Keyes
Kirkby
Knutson
Kraft Sloan
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
Loney
MacDonald
Maclaren
Malhi
Maloney
Manley
Marchi
Massé
McClelland (Edmonton Southwest/Sud–Ouest)
McCormick
McGuire
McKinnon
McLellan (Edmonton Northwest/Nord–Ouest)
McTeague
McWhinney
Meredith
Mifflin
Milliken
Mills (Broadview—Greenwood)
Mills (Red Deer)
Minna
Mitchell
Murphy
Murray
Nault
Nunziata
O'Brien
O'Reilly
Pagtakhan
Parrish
Patry
Payne
Penson
Peric
Peters
Peterson
Phinney
Pickard (Essex—Kent)
Pillitteri
Proud
Reed
Regan
Richardson
Rideout
Ringma
Ringuette–Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Scott (Skeena)
Shepherd
Sheridan
Silye
Simmons
Skoke
Solberg
Solomon
Speaker
Speller
St. Denis
Steckle
Stewart (Brant)
Stewart (Northumberland)
Stinson
Strahl
Szabo
Taylor
Telegdi
Terrana
Thalheimer
Torsney
Valeri
Vanclief
Verran
Volpe
Walker
Wappel
Wells
Whelan
White (North Vancouver)
Williams
Wood
Young
Zed—181

PAIRED MEMBERS

Bachand
Barnes
Bodnar
Bouchard
Canuel
Dalphond–Guiral
de Savoye
Debien
Fewchuk
Gallaway
Hickey
Knutson
Langlois
MacLellan (Cape/Cap-Breton—The Sydneys)
Martin (LaSalle—Émard)
Ménard
Phinney
Pomerleau

(Motion negatived.)

The Acting Speaker (Mrs. Maheu): It being 6.47 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. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.) moved:

That, in the opinion of this House, the government should amend the Income Tax Act to eliminate the payment of personal income tax on interest from personal savings accounts when the amount of interest is $1,000 or less.

He said: Madam Speaker, I am very pleased to have the opportunity to introduce this motion today. I believe taking this action could benefit a great number of people, particularly our senior citizens.

Amending the Income Tax Act to eliminate the payment of personal income tax on interest from personal savings accounts when the amount of interest is $1,000 or less is not a completely new idea.

In 1974 an exemption on the first $1,000 of interest income was introduced as a way of counteracting the impact of inflation on the taxation of interest.

• (1750)

It was also believed the exemption would reduce tax evasion, as those with small amounts of bank interest would no longer have an incentive to ignore the interest they received when filing their income tax returns.

Another argument was that the exemption would increase savings by increasing the post–tax return of investment that produced interest. All of these were valid arguments in 1974 and remain valid today.

In 1988 as a result of a decision by the Tory government the exemption was removed. According to statements given by the witnesses to the Standing Committee on Finance in 1987 the people who had the most to lose if the exemption was removed were senior citizens.

It therefore stands to reason that senior citizens are the people with the most to gain if the exemption is reinstated. According to testimony before the committee more than 80 per cent of taxpayers over 65 claimed the $1,000 deduction in 1983.

Despite the fact that the deduction was removed in 1988, 2,026,620 or about 70 per cent of all seniors who filed income tax returns in 1992 still included bank interest as a source of income. Bank interest was even more significant among the seniors 75 years of age and older, with 878,370 people or about 75 per cent naming bank interest as a source of income. It is obvious that for senior citizens keeping their money in a bank savings account is a way of life, the result of a lifetime of habit.

Think for a moment of the life of a person who is 75 years old. Think of the time they were born, the significant events of their lives and the lives of their parents. Think of the Great Depression. Think of the second world war. These people have known the hardship of trying to make ends meet when the ends just seem to get farther and farther apart.

The Great Depression hit Canada and Canadians hard. It was a terrible, grim time when all manner of personal indignities and deprivations became the norm. People lost their jobs, their homes, their dreams. Soup kitchens were a booming business. Men tramped the city streets trying to pick up 50 cents doing odd jobs or in desperation travelled the country in boxcars looking for work or a handout and the advice of those who still had handouts to give. It was always the same as that of John D. Rockefeller, always to save their money, not squander it. It was a lesson they took to heart.

Then the war came and blew the depression away. Suddenly there was a desperate need for everyone to work, but there was an equally desperate need for everything to go to the war effort. Rationing was introduced and people learned to barter and to save their butter and eggs for the important events in their lives.

People saved string from parcels. They saved paper. They saved buttons and zippers from discarded clothing, anything they thought could be used again.

Our senior citizens and many of their children still save everything useful. They are the original recyclers and they know how to clip a coupon. When they were finally able to work again they saved every cent they could squeeze from their carefully worked budgets as a down payment on their future.

Credit was a dirty word to our senior citizens. It meant you could not afford to pay your bills. It meant a loss of dignity.

• (1755)

Instead they saved to buy their homes. They saved to pay cash for their furniture, their appliances and their cars. They saved to pay for the education of their children. They saved for their old age so they would not have to do without in their sunset years, so they would not be beholden.

Now with interest rates so low their carefully hoarded nest eggs are yielding less and less. Seniors have been hard hit in recent years by falling interest rates. Unlike younger people who may have been able to accumulate savings, our senior citizens are usually unable to work. Their interest from their savings is their income. A $1,000 exemption on interest will really make a difference to them.

Younger taxpayers still working may enjoy a tax advantage or an investment in an RRSP, but such investments and tax breaks are often unavailable to seniors. Many older people are not at ease putting their money into more adventurous avenues.

Often they do not feel comfortable turning their life savings over to a stranger to invest. They are afraid of losing what they worked so hard to save. They feel it is safe and secure in a bank savings account and they want to be able to withdraw their money at will.

Surely the people who built this country deserve a break. It was their money, carefully saved and invested, the banks had at their disposal when others came to borrow. Their habit of putting money aside for the future enabled the banks to invest in the dreams of other younger people when they wanted to start a business or build a new home.

I believe this would be a good habit to instil in the young people of today as well. I believe giving them an income tax exemption on the first $1,000 of interest would prove to be an incentive.

As parents we always want things to be better for our children than they were for us. We try to teach them the importance of a strong work ethic. We show them ours is a society that celebrates success. We tell them they must always strive for person-

al excellence. We encourage them by stressing there is nothing they cannot achieve if they just try.

We know young people must be given the opportunity to learn to take responsibility for their own lives. Only then can they acquire the self–confidence and pride in their own accomplishments that everyone needs for self–esteem. Without self–esteem it is pretty hard to gain entry into the mainstream of society and virtually impossible to become the leaders we will need in the future.

Our youth are the future of our nation and our world. They will decide our destiny. The choices made by the young people of today will eventually define the world in which we all live.

There is little in this life more fulfilling than saving for a goal and reaching that goal through conscious effort and sacrifice. I can think of no better or more satisfying way to take control of one's own life and destiny.

Our government should do whatever it can to encourage our young people to be responsible citizens and consumers. Among young people age 25 to 29, 406,660 or 55 per cent included bank interest as a source of income in 1992. So it is already a significant means of saving, ready to increase with some encouragement. Young people who may be saving for a down payment on a house or for a new couch or refrigerator are not making much interest on their savings. They should not be penalized on what little they do earn.

• (1800)

An exemption would act as an incentive and would make more money available for banks to loan out as well. Many of the big ticket items like appliances have been purchased on credit cards in the past few years. Instead of the dirty word it was to our seniors, credit and the amount of credit available somehow became a status symbol.

Credit is incredibly easy to get. Everyone has heard of reports of children and even the family dog being offered credit cards. But credit card purchases cost consumers much more than waiting until one can pay cash. It is very easy to be sucked into the maelstrom of spending more than one actually earns.

In the first seven months of this year 36,118 consumer bankruptcies were filed across Canada. That is 16 per cent more than in the same span last year and one per cent more than in the first seven months of 1991, when the 12–month toll reached an unprecedented 62,277. According to some analysts, much of the cause of these consumer bankruptcies is credit card borrowing.

Saving is clearly a better way to go. For those with relatively modest incomes, an investment in a savings account is one of the few investment opportunities readily available.

There are plenty of tax breaks for those with large amounts of money to invest. An exemption on the payment of income tax on the first $1,000 of interest from savings accounts would give a break to the little guy and help our senior citizens as well.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Madam Speaker, I too rise to speak to the motion by the member for Bramalea—Gore—Malton concerning the tax exemption of interest income from saving accounts generating interest of less that $1,000.

I am convinced that this motion, in its present form, as the member explained in his speech, is aimed at helping people with low incomes, people who are not well off. However, it creates a huge void, because, of course, a motion is not a bill, it is not very precise. The motion provides:

> That, in the opinion of this House, the government should amend the Income Tax Act to eliminate the payment of income tax on interest from personal savings accounts when the amount of interest is $1,000 or less.

Let us look at it in today's context. Someone with $10,000 in an account earning 9 per cent would make $900. This means that this $900 would be tax deductible. It might be a commendable goal. However, if I had $50,000, I could make five $10,000 term deposits in five different accounts and earn $4,500 in interest, $900 on each account, and pay no income tax. But in truth, I would not belong to the group the motion is aimed at. I am not convinced that he is not trying to help people with a high income or large savings to evade income tax.

For this reason, I find it difficult to support a motion whose present wording would create such an unprecedented tax loophole. Even if there is a precedent, it would still be a horrendous loophole.

• (1805)

If you put this debate in a larger perspective, you can see that the goal of the motion is to help lower income people. I am pleased that we are showing concern for people with a low income and few savings.

In politics we are very often influenced by the richest lobbies, we also go to bat for the neediest, but in between there are all the workers, all the wage earners, that we very often forget and that are probably the least organized. They very often belong to professional corporations or trade unions, but it is very seldom that we show concern in our speeches or political actions for the lower middle class. They maybe the least organized and this would explain the fact that they are the target of all government measures: they are not a political force.

If you look at this motion in the larger perspective, it shows a desire for equity. In the area of taxation everything is a matter of equity. However, I do not think that the solution is to increase the deductions we now have. With our deficit at around 32 billion dollars, such a proposal does not seem like a good idea at

the present time. Just as we cannot afford to forego tax revenues, because our tax system is extremely complex and some people can even afford tax experts to bypass the system. I am not talking about fraud or anything illegal here, just going over every comma and every sentence in the Income Tax Act to get the most out of it.

I am just back from a series of consultations held by the finance committee in western Canada, where even tax experts told us: "Look, we cannot even make sense of this Act ourselves, and we are not sure that the government can make sense of it either. One of these days, we will have to consider a real reform, whose first objective would be, even before the amount of tax revenues to be generated, to simplify the whole system". Of course, the second objective would be to determine the optimal level of revenues to be generated by a new tax system.

All of this brings me back to an issue which has yet to be settled. The people have the feeling that the current tax system is not working and they are not mistaken.

Take, for example, the GST which has been in effect for several years now and which will not generate more revenues this year than last year. There is a problem here. Even though the growth of domestic demand is weak, we see that taxpayers have developed a number of ways to avoid paying this tax, which is perceived as being extremely unfair.

This has been fuelled by the Liberal members who decried this tax, when they were in opposition, and promised to replace it, something they never did. By the way, we should also be concerned about that. People felt that their concerns were legitimate since they even had the support of a political party saying that the tax was unfair.

It is true that it is not perfect, that it is flawed, that it causes a lot of problems, but the Liberal Party was accused of demagoguery when it said that it was a new tax. The tax on services was new, but the tax on goods simply replaced the federal sales tax. In that context, it is not right to make the taxpayers angrier than they already are about the current tax system for purely political reasons.

I come back to the fact that we cannot afford today to add these types of deductions, but if we want people with low incomes and few savings to feel that there is some kind of justice, we have to ensure that our tax rules do not allow higher income people to avoid paying their fair share.

Sometimes people are right, sometimes they are wrong, but when we refuse to have a thorough debate on an issue, the perceptions that people have, whether good or bad, remain. An example of that is the perception that banks do not pay their fair share. I do not have a definite opinion on that, but I think that it is something that is worth looking into. It is not by avoiding the issue or by making a fine statement that will sound great on the news, such as it is too generous, it is out of date, etc., that we will make progress. We will have to look into all this.

Perhaps when the Minister of Finance and the Minister of Revenue both consult Canadians on the budget next year they ought, instead of listening to all of the organized groups whose final word is always "Do anything you want to anybody else but me", to set some guidelines for a real debate, true consultation on various scenarios for tax policies and tax expenditures, in order to get a proper evaluation.

• (1810)

How much do the present measures cost? What are their objectives? Based on that, let us go out to Canadians so that they may make their own evaluation and come up with a final conclusion that "We can afford this, but not that. Here are what our priorities are for taxation for economic and social development".

Our taxation system pursues two objectives, obvious economic ones, but a major social objective as well: the redistribution of wealth. This ought never to be lost sight of. For that reason, if the taxation system is simplified, that second objective must not be lost sight of.

You do not deal with fiscal problems due to the fact that not enough tax revenue is being collected from people who could pay more, by increasing the number of deductions that already exist. We simply cannot afford it. How much would the measure suggested today cost? Good question. I repeat, those who are a little better off may manage to avoid this altogether by having more than one bank account, as I explained earlier, by having three or four accounts, for instance. That often happens.

I have two or three accounts myself. The point is to put your money into different accounts, keep your interest income below $1,000 and thus avoid paying taxes on this income. I realize this technicality could be improved upon while maintaining the purpose of the motion which is that interest income of $1,000 and less would not be taxable, but in the end, what have we achieved? How are we going to finance all that? The question lies here as well.

Therefore, out of a sense of fairness, yes, we have to work on it, but not necessarily in the way suggested. In the minute I have left, I wanted to say, because I heard mention of RRSPs, where accumulated interest is tax protected, that they are not really affected by such a motion, because RRSPs are taxable only when money is removed from them. This is when tax is taken, according to our income at that point.

So this would not promote saving necessarily. It would not have a particularly strong effect on saving, because the vehicle already exists and is already attractive enough, I imagine, from

all the funds successfully channelled and the financial institutions' aggressive campaigns to solicit RRSPs.

So, to avoid creating an additional tax shelter, which will cost us a lot and risks benefitting those who, in the end, perhaps have the income and ability to avoid it, we cannot support this motion.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, Motion 497 seeks to amend the Income Tax Act to eliminate the payment of personal income tax on interest from personal savings accounts when the amount of interest is $1,000 or less.

The rationale used by the hon. member for Bramalea—Gore—Malton is that the motion will do five things. First, it will promote savings. It is pretty hard to save these days. As the hon. member from the Bloc mentioned, this creates different avenues and ways to stuff your savings away where it will be harder for Revenue Canada to find it.

Second, the motion is intended to help the elderly who rely on savings and seldom enjoy the tax advantages of an RRSP later in life. This is an honourable objective and one I would agree with as a problem to solve. But solving it this way is unnecessary, especially if we were to devise a proper system of taxation.

Third, it is intended to compensate for falling interest rates. Why is this the responsibility of taxpayers, adjusting for the inflation component and interest income? That is not necessary. When institutions set their rates they base them on the performance of the economy. They are set at a regular time and over a period of ten years the average rate of return is adjusted for inflation.

Fourth, the rationale is to reduce administration costs because banks will no longer have to issue T4s for interest income, reducing the paperwork for Revenue Canada.

I believe the hon. member has it backwards. In April we all become employees of Revenue Canada and we work for free. We sweat for hours trying to get this income tax done and figure out how much we have to pay, make sure it is correct and then send it in. The information we use has to come from where we have earned our money or placed or invested our money. So whether interest income on savings is less than or higher than $1,000, the banks will still have to issue the paperwork necessary to show you made less than $1,000 or more than $1,000.

• (1815)

We need to stop tinkering with the Income Tax Act and the income tax system. We should stop using it for direct social and economic engineering. This is another example of using it for social engineering. We are using it to solve a problem. I do not deny there is a problem with money, with savings, and with how we look after ourselves, but the way to solve it is not through the Income Tax Act. We are making it too cumbersome and too difficult. It should be under a separate direct–spending program if we want to help seniors and children.

In 1917 the original purpose of income tax was simply to raise money. It was to pay for the first world war. Then the politicians and bureaucrats saw how nice and neat it was. I agree, it is a great way to deliver social and economic benefits. But problems have been created.

In 1992 the net revenue that was collected by the government on personal income alone was $60 billion. That included all the exemptions, deductions, and tax incentives or loopholes. If there were no deductions, exemptions, and tax incentives, the revenue for 1992 would have been $120 billion. That is $60 billion we are leaving in the hands of people. We give it back to the people. We know it is unfair.

If we collected that revenue and put it into the spending envelopes of the people who are responsible for immigration, transportation, unemployment, and health care, then we would know what that costs. We would know who is responsible: an elected minister or a permanent deputy minister. Those people would be more responsible and accountable. The pressure would be on the government to rationalize and justify its spending. I believe there would be a downward pressure. The problem with our current income tax system is that it is unfair.

The GST is another example. It generates $30 billion to $36 billion, yet the net take of the government is $15 billion to $16 billion. There is the system of rebates, the high cost of compliance and the high cost of collection. It is ridiculous.

If we used taxation for the one simple purpose of raising money and then put the money into the areas where we want to spend it and where Canadians want it to be spent, it would be a more efficient and effective system of taxation than we presently have and we would no longer need all these rates.

We know the system is complicated, confusing, and convoluted. We need to make changes. Yet nobody addresses that. Everybody is afraid to look at a simple system of taxation because in simplicity the cost of transition from the current income tax system to a simple tax system would be too expensive and the transition would be unattainable. I heard that from the chairman of the Standing Committee on Finance, who is an income tax lawyer and an expert in his field.

In the name of deficit reduction and in the name of losing tax dollars, is the government afraid to look at a system of taxation that features a single rate and allows a generous tax–free portion so that the people who need the money most, the seniors and

low–income Canadians, do not have to pay any income tax? That line would be somewhere between the poverty line and the low income cut–off. Would that not reduce the pressure on our social programs? Would that not be a more efficient way of helping the people who need the help, rather than tinkering with the Income Tax Act, adding five more pages of definitions and rulings and three more reasons why auditors have to check every bank account, as the hon. member said earlier?

We have to look at tax reform. Tax lawyers are afraid to return from holidays to read the latest communiqués from Revenue Canada with the new rulings and definitions.

The current system is a disincentive to work. The more a person makes the higher the percentage they have to remit. They call that progressivity, but at a certain point they stop working for the government. Why? They see that government wastes money. If the government were spending the money on programs Canadians want and not what bureaucrats and politicians want, and if people could see their tax money being spent fairly and wisely, in a way that was responsible and accountable, in a clear and visible fashion, we would have more compliance. More people would pay. With a single rate everybody would know they are paying the same rate over a certain base that is tax free.

• (1820)

It costs us $12 billion to send in our income tax. The personal portion we pay other people to do this for us costs $3.7 billion. Revenue Canada is $1.5 billion. The government cost for GST is $0.6 billion. Corporate costs to do the T4s and their corporate tax is $4.9 billion. The GST industry costs $1.7 billion.

It is clear that our current system is unfair, unclear, and unacceptable. There is no reason we should keep up with it and there is no reason we should continue to promote ways and means of adding more to the confusion of the income tax. We should be cleaning it up, simplifying it, rewriting it.

We have had three major tax reforms since 1971. We went from 18 different brackets and a high marginal rate of 80 per cent in 1971 to 10 brackets and 43 per cent in 1981, to today, from 1988 until now, three brackets with a high marginal rate of 29 per cent. When each of those transitions and reforms went from 80 per cent down to 29 per cent it meant more revenue to the government.

Lower taxes mean more revenue. Simplicity means more revenue. Therefore we need one more major tax reform in this country, one more simplified tax featuring a single rate with a generous tax free portion that will look after the lower income and retain progressivity. It will introduce fairness. Everybody will know what they are paying. Reduce the rate to the area of 20 to 22 per cent, another 7 per cent reduction, and a single rate. I would argue that would generate even more revenue for the government.

Some of the other principles we should keep in tax reform are keeping it simple and understandable and defining the purpose as raising money. Tax reform is not to add another element that the first $1,000 you make in savings accounts is free because we are helping this sector; not to help the farming sector by giving this deduction over here; not to develop oil and gas by offering flow–through shares over here; not to help this by doing that over there; not to help charitable organizations by allowing generous exemptions over here; not to aid and facilitate seniors by having some moneys there.

The Liberals are neglecting their responsibility to the public in giving lip service to tax reform. They are not prepared to look at genuine comprehensive tax reform in this country. The Reform Party is and will. We will continue to address this issue.

Mr. John Maloney (Erie, Lib.): Madam Speaker, I wish to rise today in the House to speak on Motion No. 497. I would like to congratulate my hon. colleague from Bramalea—Gore—Malton for his hard work in getting this motion to the floor of the House of Commons.

Motion No. 497 reads:

> That, in the opinion of this House, the government should amend the Income Tax Act to eliminate the payment of personal income tax on interest from personal savings accounts when the amount of interest is $1,000 or less.

Federal taxes on foreign and domestic income received by Canadians and Canadian income received by non–residents are imposed under one statute, the Income Tax Act. The net income or profit received by Canadians is defined by that act.

Personal income taxes are imposed by both the federal and provincial governments. The federal government has agreements with all provinces except Quebec to collect personal income taxes on their behalf.

The federal government defines taxable income in the Income Tax Act and levies its personal income tax according to the rate schedule in the act. The agreeing provinces then levy their personal income taxes as a percentage of the basic federal tax.

In the last decade, the number of taxpayers has jumped from 10.4 million to 13.7 million. In 1988 there was a sharp drop in taxpayers due to the first year of the tax reform. Under it, a significant number of low income taxpayers were granted tax relief. Another decline in the number of taxpayers took place in 1991 and was caused by the recession of the early 1990s.

Between 1974 and 1988 the first $1,000 of interest income was exempt. The exemption was introduced in 1974 as a way of counteracting the impact of inflation on the taxation of interest. It was also argued that the exemption reduced some tax evasion, as those with small amounts of bank interest no longer had

incentive to ignore the interest they received when filing their tax return.

• (1825)

Several arguments can be made in support of my hon. colleague's motion. The exemption of the first $1,000 of interest income would promote savings. This is very important for those with relatively modest incomes. Often an investment in a savings account is one of the few investment opportunities readily available to a good number of people.

Under the existing system, by imposing tax on interest earned some consumers are more apt to choose to spend their income in the year it is earned because the interest earned on their already taxed income will be taxed should they save. "Spend it. We are only going to be taxed on it", they cry. This commonly held view dictates against the merits of saving money.

With the proposed motion there would be little distortion between present and future consumption. While there is some controversy about the magnitude of the change on savings resulting from income tax on interest, the general view is that it is a negative effect.

Some of us ask what are the consequences of reducing savings. It is generally felt that a reduction in savings will normally lead to a reduction in capital accumulation and in the long run to a reduction in output per capita.

In light of shrinking government budgets and the upcoming review of our role in the provision of pension income, we have and continue to encourage Canadians to invest in their retirement. There are deductions for RRSP contributions, but why is there no provision for savings account or Canada savings bond interest?

I realize that RRSP interest is taxed upon withdrawal, albeit generally at a reduced rate. There are real limitations in the deferral of taxation and these implications translate into economic choices.

Another argument in support of the motion is that it will help Canada's senior citizens. After the $1,000 tax exemption was eliminated in 1988 there were some very convincing statements in favour of keeping the exemption, especially as it related to senior citizens.

In the 1980s over 80 per cent of our taxpayers over the age of 65 claimed this exemption. It was said that the elimination would have a disproportionate effect on senior citizens. Almost half the current generation of Canadian seniors, about 50 per cent, live at or below the poverty line. A small percentage, 5 per cent only, across Canada enjoy incomes of $40,000 or more. The remaining 45 per cent had hoped during pre–retirement years to invest in something that would act as a supplement to their pension cheques. This 45 per cent of Canadian senior citizens over the age of 65 would benefit by the restoration of the $1,000 investment income deduction.

A third argument is that the exemption would compensate for falling interest rates. Although economic activity may in general be stimulated by falling interest rates, those whose incomes depend on interest bearing assets are being hurt by falling rates. Seniors have been hit hard in recent years by such falling interest rates.

While there are benefits for seniors and an encouragement of savings I also have some serious concerns about the motion. The proposal to exempt the interest on savings accounts runs counter to current trends toward increasing tax revenue. If all bank interest were tax exempt, the lost tax revenues would certainly be significant.

In the mid–1980s the $1,000 exemption cost the federal government about $900 million in loss tax revenue. In 1992 tax filers declared over $18 billion in bank interest. This figure would be much higher if the exclusion were only for interest earned at financial institutions, as investors would adjust their portfolios to take advantage of the tax break.

Recently Revenue Canada instituted reporting changes for financial institutions. Beginning with the 1995 tax year, these institutions will be required to issue T5s for interest income at $50, down from the current $100 limit.

This new measure is meant to limit tax evasion. Some taxpayers with interest below $100 have simply ignored that income for tax purposes, forgetting or ignoring that every interest dollar earned is to be included as income. However the new change seems to indicate the government considers bank interest an important source of tax revenue.

Revenue is obviously an important component of our deficit reduction policy and reducing revenue runs counter to this necessary policy.

Another concern I have with the motion is the difference in treatment of earned income and non–earned income. Those who work for minimum wage are taxed on the first dollar they earn. Those who earn income from interest revenue are treated equitably under the existing system. I understand that invested money was once income and was likely taxed at the time it was earned, but the interest too is income. Allowing exemptions for interest income will disproportionately benefit seniors. How can we balance this against earned income so that it is socially equitable?

I will also address a comment by my colleague from Rimouski. The bill indicates interest earned on savings accounts. This would include all savings accounts and it would be an accumulative effect. It would be the total of the interest that would be considered an income. We could not spread our savings over

five, six or ten different accounts. The exemption would apply to the full income no matter where it was.

• (1830)

While I have some serious concerns about the bill, I generally speak in support of it because the investment income exemption is one of the few tax initiatives that would reach out and touch most Canadian citizens, including my constituents of Erie, rather than just a select group of investors.

Taxpayers are crying out for tax relief and tax reductions, and understandably so. This initiative could be a possible means of partially satisfying these demands.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, contrary to the private member's Motion M–497, the Government of Canada should not support the elimination of personal income taxes on interest from personal savings accounts when the amount of interest is $1,000 or less.

As hon. members may remember, before 1988 individuals were allowed to claim a deduction of up to $1,000 of interest income in computing taxable income. This interest income deduction existed at a time of high inflation as an approximate method of providing some allowance for income tax paid on the inflationary component of interest.

Inflation is now very low. Therefore this rationale would not apply today. In addition, the elimination of interest income deduction was one of a number of base broadening initiatives introduced as part of the 1988 tax reform. Those measures made possible a reduction in tax rates and the enrichment of certain tax credits.

The elimination of interest income deduction for 1988 and the subsequent taxation years was largely compensated by a $1,730 increase of the basic personal amount.

Therefore it would be inappropriate to restore this deduction particularly at a time of very low inflation. The federal revenue cost resulting from allowing a deduction of up to $1,000 of interest income for income tax purposes would be very high; in the order of $1 billion per year.

Because of the fiscal situation of our country we simply could not afford to make such a change without making up lost revenue. This lost revenue would therefore have to be made up through a general tax increase, an increase in taxes across the board. Most of the burden would fall on the shoulders of the average income Canadians while the deduction would benefit only most higher income individuals.

The bulk of the efforts of the government on the income tax side since coming to office in the fall of 1993 has been directed at ensuring the tax system is fair. A number of tax advantages that did not meet the standards of fairness Canadians expect were eliminated in the 1994 and 1995 federal budgets presented by the Minister of Finance.

Let me highlight a few of those more important changes that have contributed to making our tax system fairer. As hon. members are aware, the federal budget of February 22, 1994 proposed a number of personal income tax measures. First, the $100,000 capital gains exemption was eliminated. This exemption largely benefited high income filers, and there was little evidence that it encouraged investment and job creation as it was first intended to do.

The tax exemption for premiums related to the first $25,000 of coverage under employer provided life insurance plans was also eliminated. This measure ensures individuals with employer paid life insurance are not treated more favourably than those who purchase life insurance out of after tax income.

The government did not limit its elimination of tax preferences to those preferences that affect individuals. A number of tax measures affecting businesses were also introduced in the government's first budget. For instance, the deduction for meal and entertainment expenses was reduced from 80 per cent to 50 per cent of eligible expenses. This change makes the tax system fairer by reflecting the significant element of personal consumption involved in these or such expenses.

• (1835)

In addition, Canadian controlled private corporations with capital of $50 million or more are no longer eligible for the small business deduction and the enriched research and development credits accorded to small businesses.

The government's commitment to tax fairness did not end with the tabling of its 1994 budget; quite the contrary. The federal budget tabled February 27 announced more steps the government was taking to make the tax system fairer. For example, it was announced that the tax deferral advantage enjoyed by individuals with business or professional income resulting from their ability to select their own year end for tax purposes was being eliminated.

As other Canadians, individuals who begin to earn business or professional income will have to report their income on a calendar year basis.

[*Translation*]

Moreover, the 1995 budget eliminated some of the tax benefits from family trusts. The government repealed provisions allowing the postponement of the implementation of a rule requiring a deemed disposal of assets after 21 years.

Our efforts to make our tax system fair did not start and do not end with budgets. The proof of that is the measures announced by the government in December 1994 to prevent the erosion of the tax base brought about by the active promotion of abusive

tax shelters and a longer list of deductions in the calculation of the alternative minimum tax.

What the government has done in the last couple of years attests to its commitment to a fair Canadian tax system. Giving preferential treatment to interest income, as suggested in this motion, would not be consistent with the policy the government has adhered to from the start. Such a change would benefit mainly high income taxpayers, since they have more savings.

To conclude, and for all these reasons, I urge the House to reject private members' Motion M–497.

[*English*]

The Acting Speaker (Mrs. Maheu): There being no further members rising for debate and the motion not being designated a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper, pursuant to Standing Order 96(1).

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, on October 3, I asked the minister of defence a question pertaining to separation expenses for members of the armed forces. Separation expenses are funds a member of the armed forces may apply for when being posted to a new place of duty away from his or her spouse and dependents.

This money is to temporarily assist the member with new accommodations while separated from his or her spouse and dependents. Temporary is the key word. The member's spouse and dependents are expected to eventually move to the location of the member's new posting.

Canadian forces administrative order 209–3, article 8, states a member may collect separation expenses for up to one year if the new posting will create undue hardship on the member's family and if the member's career manager feels it is in the best interest of the Canadian Armed Forces.

On October 23, I asked the minister why some senior officers were collecting separation expenses for a prolonged period of time. I pointed to two examples. In one case access to information documents show that Major–General Armand Roy, now a lieutenant–general and deputy chief of defence staff, collected separation expenses over a three–year period totalling over $50,000.

Access to information documents show that Rear Admiral Keeler, the current chief of financial services at national defence headquarters, collected $86,000 in separation expenses over a four–year period.

• (1840)

I told the minister that by allowing this type of action to continue while able seamen in Esquimalt collect welfare to feed their families was an example of the minister's mismanagement of his portfolio. I asked him how he could allow this to go on under his nose.

The hon. parliamentary secretary for defence stood on behalf of the minister but failed to grasp the meaning of the subject matter at hand. He gave me an answer that dealt with moving expenses. He said I had signed a report supporting the mobility of our soldiers. I was extremely dissatisfied with the parliamentary secretary's answer. I do agree with the mobility for our troops but did not sign any report to that effect.

The parliamentary secretary said that my question hurt the morale of our soldiers. Let me tell the parliamentary secretary, bread lines and welfare cheques hurt the morale of the Canadian Armed Forces, not questions pertaining to Canadian forces administrative orders. He did not address the subject matter at hand. He did not explain why general officers were permitted to collect separation expenses for a prolonged period at a great expense while some soldiers were having trouble feeding their families.

I will put my question again and hope that this time the parliamentary secretary, having had over a month to consider the question, will be able to provide Canadians and members of our armed forces with an answer.

How can the minister allow general officers to collect separation expenses for a prolonged period at great expense when other members of the Canadian Armed Forces are collecting welfare?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I ask the hon. member to note that the separation expenses of which he speaks are offered to both officers and non–commissioned members of the Canadian forces to ease the disruption caused by the frequent relocation of Canadian forces members and their families. I believe he is quite familiar with that.

As the member is aware, certain current Canadian forces policies dictate that a member is expected to move their family to the new place of duty within a reasonable time. Should an occasion arise where the move to the new location does not meet personal or service needs, a member may apply to their career manager for an imposed restriction to receive separation expenses.

Normally separation expenses are granted for a period of up to a year, but extensions are considered as an exception to the rule and are approved only when the circumstances justify it, and if it is in the best interests of the Canadian forces and the individual. Every member who requires an extension of separation expenses must submit a request through the chain of command. It is the responsibility of the individual to demonstrate that the reason for separation from dependents is valid.

Approval of an imposed restriction is granted for such reasons relating to a dependent's medical situation, the education of dependent children, or personal economic factors of an aging parent at home who has to be looked after by a spouse.

The receipt of separation expenses for more than two years is extremely rare, but changing circumstances may require extensions beyond that. We have to remain flexible.

The hon. member should note as well that it may be in the interests of the department in some cases to grant separation expenses to a member of the Canadian forces rather than paying the cost of two successive moves in a short period of time, if it costs less.

In the government's opinion, separation expenses provide our troops with the kind of financial support which I am sure the hon. member would agree is necessary to maintain mobility and ensure the welfare of all the Canadian forces personnel. After all, this was the report of the committee.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5) a motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.45 p.m.)

HOUSE OF COMMONS

Wednesday, December 6, 1995

The House met at 2 p.m.

Prayers

The Speaker: As is our custom, we will be led today in the singing of the national anthem by the hon. member for Kootenay East.

[*Editor's Note: Whereupon members sang the national anthem.*]

STATEMENTS BY MEMBERS

[*English*]

NATIONAL SAFE DRIVING WEEK

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, this is National Safe Driving Week.

Ten years ago, vehicle collisions killed 4,364 Canadians and injured another 259,200. It was estimated then that approximately 43 per cent of driver fatalities involved the use of alcohol.

By 1994, even with the doubling of vehicles on the road, vehicle collision deaths had fallen by 25 per cent to 3,260 and the number of injured by 5 per cent to 245,000. However, of those collisions, 44 per cent of driver fatalities involved the use of alcohol.

The conclusion is obvious. We have made great strides in reducing the number of Canadians killed and injured on our roads, but impaired driving continues to demand our attention. That is why the theme of this year's national safe driving week is "The Hidden Face of Impaired Driving". Canadians are still having accidents that could have been prevented by not mixing drinking and driving.

* * *

RENEWAL OF CANADIAN FEDERALISM

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, the Liberal so–called unity package is going to have a negative effect on Canada. This package will divide the country more than it will unite it. The distinct society clause will be seen as giving Quebec special status. By lending the federal government's constitutional veto to provincial governments rather than the people, the government will pit one province against the others.

The net effect of the government's package is to increase inequality. Without a doubt, denying all citizens constitutional equality will entrench the notion that all Canadians are unequal.

My constituents in Edmonton—Strathcona and I support the Reform's blue book policy which states clearly our commitment to Canada as one nation and to our vision of Canada as a balanced federation of 10 equal provinces and citizens.

* * *

SRI LANKA

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, Sri Lanka is a country consumed in violence by the ongoing conflict between the Sri Lankan army and the Liberation Tigers of Tamil Eelam. Since 1983, 50,000 people have been killed and another 500,000 Tamils have been forced into exile.

The Minister of Foreign Affairs has stated Canada's position: There can be no military solution to the problems in Sri Lanka. Both the minister and the secretary of state have stated on a number of occasions that Canada is willing to become involved in resolving the conflict if asked by both sides.

The situation in Sri Lanka is grave. Innocent people are being subjected to terrible violence, hunger and despair. Amidst this terrible violence, allegations have arisen that aid money is being used to buy military equipment.

I applaud the efforts of the minister and the secretary of state in issuing a standing offer to become involved in resolving this dispute, and encourage them to act to ensure that aid reaches those who need it the most.

* * *

[*Translation*]

VIOLENCE AGAINST WOMEN

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, today is a very special day.

Every year for the past six years, December 6 has been a day to reflect on violence against women. Since the day when 14 young women were shot and killed at the École polytechnique in Montreal, Canadians and Quebecers have become less and less tolerant of all forms of violence, particularly violence against women. How can one not be appalled by the fact that three out of

ten women in Canada have been hit at least once by their spouses?

The Quebec government understands the need to act and it has chosen this day to table its policy on violence against women.

The federal government should follow in its footsteps and deal with the causes of violence, which are mostly psychological distress and despair linked to unemployment, indebtedness and poverty.

* * *

[*English*]

PORNOGRAPHY

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise to bring to the attention of the House the deep concerns of many of my constituents regarding pornography.

The local chapter of the Saint John Catholic Women's League has sent me several little ribbons in recognition of White Ribbons Against Pornography or WRAP week. The CWL took part in WRAP activities from October 22 to 29.

The members of the CWL and their parishioners wore the ribbons, wrote their names on the backs of them and sent them to me to show their opposition to pornography in any form. We need stronger laws to protect us from this destructive menace in our society.

Today we remember the 14 young women who were brutally and tragically murdered at École Polytechnique in Montreal five years ago. As we honour their memories let us remember that pornography contributes to the type of violent act that took their lives.

I commend my constituents for their efforts and I wholeheartedly agree with them. I urge the government to stand up for Canadians and pass stronger anti–pornography laws.

* * *

VIOLENCE AGAINST WOMEN

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, today we remember the tragedy that occurred on December 6, 1989. It has been six years since 14 young women at École Polytechnique in Montreal lost their lives. The pain of that day is still fresh in our minds.

Although much has been done to improve public awareness with respect to violence against women, we have only to read the papers to see that it is still happening every day. One look at the statistics demonstrates that women continue to be the target of violent acts.

Steps have been taken by the Liberal government over the last two years to curb violence against women and to promote women's equality both within Canada and internationally. Within Canada, the federal plan for gender equality was announced while internationally, Canada played a leading role at the United Nations World Conference on Women. However, we still have a long way to go.

Today, on the national day of remembrance and action on violence against women, take a moment to remember the 14 young women who died, as well as countless others who have suffered, both here in Canada and around the world.

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VIOLENCE AGAINST WOMEN

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, today marks the sixth anniversary of the tragic deaths of 14 young women at the École Polytechnique in Montreal.

In honour of this national day of remembrance and action on violence against women, the Government of Canada calls on all Canadians to recognize that violence against women is a violation of women's human rights and has no place in Canadian society.

• (1405)

Unfortunately too many women continue to suffer various forms of abuse at the hands of their partners, acquaintances or strangers. Therefore, eliminating violence remains a priority of the Canadian government.

Since the tragedy in Montreal, the federal government has stepped up its efforts to eliminate violence against women. In fact, Canada is viewed as a world leader in recognizing and addressing the problem through community based action, information exchange and awareness, and shelters for battered women and children.

I call on all Canadians to assume responsibility for the eradication of all forms of violence against women in this country.

* * *

BILL C–103

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, yesterday a Senate committee proposed an amendment to Bill C–103 that would grandfather the Canadian version of *Sports Illustrated*. In so doing, it joined the Reform Party, the task force on the Canadian magazine industry and the current Minister for International Trade in making this recommendation.

Unbelievably the Minister of Canadian Heritage is compromising our international reputation by insisting that *Sports Illustrated* be banned retroactively as of March 1993. If the Senate, a special task force on split runs and the Minister for International Trade all recognize the legitimate rights of *Sports*

Illustrated to run a split run in Canada, why does not the Minister of Canadian Heritage?

Maybe the answer is that he clearly does not know what he is doing. Yesterday he said: "What we are trying to do is make sure our Canadian industries remain Canadian, are able to grow and export, because export is part of their ability to mature". But get this: Bill C–103 will impose a Canadian 80 per cent excise tax on our magazine exports. Unbelievable.

* * *

VIOLENCE AGAINST WOMEN

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, five years ago former NDP MP Dawn Black gained unanimous support in the House of Commons for her bill making December 6 a national day of remembrance and action on violence against women. As we have each year since 1990, today we remember and mourn the lives of the 14 women killed six years ago in Montreal.

Today is not just a day of remembrance but a day of action. In this respect the Liberals have not lived up to their commitments to women. In the past year the federal government has wiped out the Canadian advisory council on the status of women. While the government says it is committed to ending violence against women, it dismantles the very programs that provide vital support to women.

Many such programs are funded through the Canada assistance plan or federal transfer payments to the provinces and territories, payments which are being cut back drastically, threatening the survival of emergency shelters for women, child care and other programs to help women and their families.

The Liberals must show their commitment to women through action, not words.

* * *

VIOLENCE AGAINST WOMEN

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, today is a day of national mourning and remembrance for the 14 young women whose lives were cut off in mid–stride six years ago for one reason only: they were women.

As we mourn we should be mindful that over 50 per cent of women in Canada, one in three in B.C., are the object of physical, mental and emotional violence. Battered body and soul, living with chronic helplessness and pain, it is a legacy of bitterness that they pass on to their children, Canada's children.

As parliamentarians, women or men, Liberal, Reform or Bloc, we have a duty to stop this endless nightmare that so many women endure as an excuse for living. The Minister of Justice, the Minister of Health and the Secretary of State for the Status of Women have shown clear leadership on this issue but it is not enough.

We must mobilize our communities, the media and businesses. We must make this issue a cause nationale. Violent crimes cost this country over $4 billion a year in money but the real cost in terms of human life and hope is immeasurable.

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VIOLENCE AGAINST WOMEN

Mr. John Maloney (Erie, Lib.): Mr. Speaker, today we mark December 6 as Canada's national day of remembrance and action on violence against women.

Today we remember, we mourn and we act. We remember the 14 students who tragically lost their lives at École Polytechnique in a senseless act of violence against women. We mourn the loss of 14 of our best and brightest young women and what could have been.

We vow to act with resolve to eliminate abuse against women everywhere. On average, a woman is killed every six days in Canada, often in a home and by someone she knows. The weapon of choice is generally a gun. These are startling, sobering facts, but true.

The government is responding with initiatives, including tougher firearms control, elimination of the extreme drunkenness defence, more effective peace bonds and much more. However, eradication of violence against women requires the full participation of all members of society: government, media, business, communities, individuals and families.

I encourage everyone to join in the partnership to eliminate violence against women. Just do it.

* * *

• (1410)

VIOLENCE AGAINST WOMEN

Mr. John English (Kitchener, Lib.): Mr. Speaker, six years ago in a university, a place of learning, a Canadian tragedy occurred. On this day in 1989 a lone male directed his rage at 14 innocent women at École Polytechnique in Montreal.

In a country such as Canada where so many women have experienced some level of injury, physical or sexual, we must make every effort to live up to our reputation as being the best country in the world in which to live by ensuring a society which is safe from ethnic or gender based violence.

We mark this day of remembrance for the victims of the Montreal massacre and to raise Canadians' awareness that violence against women is not only a crime, but an infringement of human rights.

Violence against women reflects not power over others but the fear of cowards.

S. O. 31

[*Translation*]

CANADIAN HERITAGE COMMITTEE

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, a few days ago, the government introduced a motion to recognize Quebec as a distinct society.

However, this declaration of love toward Quebecers has turned out to be a complete crock, in light of the incendiary comments made by some Liberal and Reform members of the heritage committee.

What Quebec federalist can believe in the sincerity of Liberal members when they strongly object to Telefilm Canada's subsidies to French–language audiovisual productions, which they see as overly generous in relation to the demographic weight of francophones?

No Quebecer can remain indifferent to these members' shameless blackmail tactics against the Canada Council last week and Telefilm yesterday, if they maintain their policy of subsidizing any artistic project on the basis of creative merit rather than on the basis of Quebec creators' partisan commitment to federalism.

This spectacle is a clear indication that—

The Speaker: I am sorry, but your time has expired. The hon. member for New Westminster—Burnaby.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, today I rise to commemorate December 6 which remains in our national conscience for the death of the women students in Montreal. Last year on this day, in response to hyperbole on the government side, I questioned the sincerity of some Liberal members. A year has now passed and it is time to examine the government's record of how little has been accomplished to really change things on behalf of victims.

We now have more gun regulation that will not make the Montreal murders less likely to occur again. Victims still have no comprehensive special standing in the courts and the Criminal Code. We still have section 745 which releases murderers early and my private member's bill for victims is still to be dealt with by the House.

I call on the government, in view of the well–meaning sentiments that are always heard on this day, that by this time next year may we have substantive changes to the law which will bring meaning to the remembrance of this day. May it be said of the House that while being right, we could also do what is right.

VIOLENCE AGAINST WOMEN

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, six years ago the unspeakable happened in Montreal. I want to pay special tribute to my former colleagues, Dawn Black and Mary Collins. Five years ago the House, in a rare show of unanimity, passed Ms. Black's private member's bill creating this day in perpetuity as a day of remembrance and action.

I would also like to pay tribute to the hon. member for Saint–Hubert. She is another individual who supports very strongly many of the measures which we fought for across party lines in the House.

Violence against women is a very special horror which this country deals with. It is not one which responds merely to platitudes. It is not one which responds to political responses with respect to social programs or gun—

The Speaker: The hon. member for Richmond—Wolfe.

* * *

[*Translation*]

MEMBER FOR BONAVENTURE—ÎLES–DE–LA–MADELEINE

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, this week, the very loquacious member for Bonaventure—Îles–de–la–Madeleine was determined to show that he could take arrogance and absurdity one step further.

Mistaking this place for the defunct youth Parliament of Canada, the gentleman nicknamed "Monsieur 31" confirmed that he had all it takes to hold the part of the leading man in a vaudeville show.

In her editorial, Lise Bissonnette of *Le Devoir* reported that the young MP had launched an all–out attack against the Société québécoise de développement de la main–d'oeuvre, which he accused of being unable to carry out its mandate, adding that his government could easily deal directly with its partners. Ms. Bissonnette ironically described the member's remarks as follows: "As we know, out of the mouth of babes—".

• (1415)

Balzac wrote that power only benefits the powerful. This lesson in humility—

The Speaker: I am sorry to have to interrupt the hon. member but his time is up. The hon. member for Outremont.

* * *

VIOLENCE AGAINST WOMEN

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, on this day, we are all reminded of the 14 promising young women full of hopes and dreams who were murdered at l'École polytechnique. We are also reminded that violence is a daily reality for thousands of other women.

Each of us has a duty and a responsibility to stop all forms of violence. That is what our government is doing, especially through the Firearms Act that we just passed.

I wish to thank the families of the victims of l'École polytechnique for being so vigilant and courageous in their efforts to create awareness and their support for gun control. I am sure that they are helping to save lives.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, on the weekend, the Minister of Labour announced on all TV and radio stations in Quebec that, as part of its unemployment insurance reforms, the federal government will create a reserve fund to cushion the impact of future economic recessions or slowdowns.

On the other hand, the 1995 budget of the Minister of Finance provides that UI fund surpluses will be used to absorb the federal deficit. That is what it says on pages 89 and 94 of the Budget Plan. Yesterday, the Minister of Finance did not answer our questions. Today, I will put the question to the Prime Minister.

Considering that the statement by the Minister of Labour is a clear and direct contradiction of what is indicated in the government's budget, could the Prime Minister tell us which minister is right?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Both, Mr. Speaker.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in that case, I will put the following question to the Prime Minister.

If they are both right, how does this tally with the facts? There are no two ways about it: either the Minister of Labour is right, and a reserve fund will be created to cushion the impact of economic problems, or the budget provisions are no longer accurate. How can the Prime Minister say in all honesty and sincerity that both ministers are right, when they are contradicting each other?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when the Unemployment Insurance Fund shows a surplus, it is entered as a surplus, and the money is used in the government's current accounts. On the books, however, it is considered as a debt we owe this fund. Instead of borrowing on the market, we use this fund. It is on record as a reserve that will have to be paid back if necessary. However, because we have worked very hard to reduce unemployment since we formed the government, the Unemployment Insurance Fund has shown an annual surplus because of our good management.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I do not know whether the Prime Minister realizes what he just said. He just explained that the government's deficit for this year will actually be $5 million more, because the Minister of Finance took the surplus in the Unemployment Insurance Fund, subtracted it from that column, put unemployment insurance revenues into revenue, and then told us: "Here, this is will be my deficit".

Does he realize that with this answer he just confirmed, as the leader of this government, that the deficit of the Minister of Finance will be $5 million more?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said before very clearly, we consider that the funds in question are made up of money that we borrowed. Instead of borrowing from the private sector, we are borrowing from ourselves. However, on the books, as good accountants, we said it was not our money, it was money held in reserve.

Instead of borrowing the money on the market and competing with the private sector, we are using this money, which we know we will have to pay back some day.

• (1420)

However, it is quite probable that in the years to come, since the government is working very hard to create jobs, instead of a deficit the UI Fund will again show a surplus next year.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, my question is also for the Prime Minister.

The data available in the financial review of the Minister of Finance reveal that 82 per cent of program expenditure reductions proposed by the federal government were in the unemployment insurance program alone.

In this context, how can the Prime Minister refuse to admit that his government's only strategy in fighting the deficit was to cut the benefits to the unemployed?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when the Parti Quebecois government says we cut transfers to the provinces, it is contradicting the member, who has just said that all we cut were the benefits of the unemployed, and not transfers.

But we cut all over, except that we reduced transfers such as those for health and the other programs. We did, however, increase equalization payments. In fact, since we have been in government, transfers to the province of Quebec have remained

at exactly the same level. They are even slightly higher than they were when we came to office.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Prime Minister is avoiding the question. We are saying that, of all the government's program cuts in connection with transfers to the provinces, 82 per cent of the cuts were made to the UI fund. This is what we are saying today. And this is what he is trying to get round.

I would ask him the following question. Does the Prime Minister realize that his approach to reducing the deficit through the unemployment insurance surplus is unconscionable and testifies to his inability to improve the state of public finances other than by imposing a job tax? What his employment insurance amounts to then is a job tax.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once again the hon. member is engaging in an attempt to misinform Canadians.

Let us go back to last Friday and bring forward two basic facts. It is very important to clear the fog the Bloc Quebecois constantly tries to disseminate.

First, $800 million of the proposed savings in the system are being recycled into direct employment benefits to get people back to work. Therefore it represents a substantial shift from income benefits to employment benefits and is designed to meet our very different work situation. It allows us to give people a quick, effective way back into the employment market.

The figures the hon. member refers to have absolutely no relevance to the fact that we have said directly the money is being recycled.

Second, we are beginning to reduce the premiums under the system. There will be a $1.3 billion reduction for businesses and employees so that we can put more money in their pockets and they can create more jobs.

[*Editor's Note: Electrical power interruption.*]

Some hon. members: Oh, oh.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, my argument is so powerful that it even affects the electrical system of the House. The problem is that when the Bloc stands to speak, the lights go off totally and everybody is in the dark.

* * *

THE ECONOMY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister says he wants to put his makeshift unity policy behind him and get on with jobs and the economy. So let us do that.

At present the greatest single impediment to job creation and economic growth in the country is the dead weight of the federal debt of $570 billion, a debt the government is adding to at the staggering rate of almost $100 million per day.

The IMF and Canadian business groups have repeatedly called upon the finance minister to get real and revise his weak deficit reduction targets.

Has the Prime Minister specifically instructed the finance minister to come up with a new deficit reduction target, the only one that means anything to the Canadian taxpayer, namely a zero deficit by 1997–98?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are on target with what we said to the Canadian public we would achieve.

We said that we started at 6.2 per cent of GDP and that we would be at 3 per cent after three years. We will be there. We set some realistic goals in a way that we have not stifled growth in Canada. At the same time as we were going through a reduction in the deficit, we saw a reduction in unemployment. The policies are working very well.

Most of the time members of the third party are not asking questions on the economy. Yesterday, for example, they spent the day talking about the coat of arms. Is it extremely important?

On January 15, 1994 the leader of the Reform Party criticized previous opposition parties. He said that anyone could make a jackass of themselves in question period. Yesterday the Reform Party proved that quite well.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the former head of the Economic Council of Canada, John Deutsch, used to have trouble getting Mr. Trudeau to take the debt and deficit seriously. I wonder if Mr. Trudeau passed the virus on to the current Prime Minister.

The only way Mr. Deutsch could get Trudeau to take public finance seriously was to somehow link it to the Quebec or unity issue. Perhaps we can awaken the Prime Minister's interest in the issue by pointing to a recent CROP poll which said that 80 per cent of Quebecers believed the government should come to grips with real deficit reduction. This is something Quebecers have in common with other Canadians.

If the Prime Minister is groping for actions to unite the country, why does he not personally commit his government to balancing the federal budget before the end of his mandate? I ask him not to give us a 3 per cent answer.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when we ran in the last campaign we were very careful

to put in writing what we would do. We are meeting our goals. We are respecting the commitments we made and we are on target.

When we introduced the budget last February it was extremely well received by all commentators; we had done the right thing. We are moving in a rational way in the reduction of the deficit. At the same time we are not doing it in a way that is causing social problems in the country.

That is why we are a party of the centre. We are not doctrinaire. We will not eliminate medicare just to have a balanced budget. We will make sure we have policies that respect the individual and at the same time offer solid administration.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister likes to dwell on the past. I am wondering whether he remembers a time in 1978 when Mr. Trudeau went to an economic summit in West Germany and was somehow briefly converted to deficit reduction. He came back and went on TV. Does the Prime Minister remember this? He announced $2 billion in spending cuts without even telling his finance minister, who is now the Prime Minister.

Could the Prime Minister take a short trip, perhaps to Queen's Park; take a few lessons on budget balancing from Mr. Harris; get on TV and commit himself to spending cuts that will balance the federal budget?

Eight of eleven senior governments in Canada are now committed to deficit elimination. Will the Prime Minister make the Government of Canada the ninth by committing to balance the federal budget by 1997–98?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the leader of the Reform Party is making too many trips to Queen's Park. He will lose the only Ontario member he has in this House very quickly if he does not change his travelling plans.

We have a good plan for reduction of the deficit. At the same time we are making sure the economy is working well. We will have managed to take the deficit from 6.2 per cent to 3 per cent in three years, as we said we would. It will be reduced gradually and eventually we will have a balanced budget.

• (1430)

However, we are not like their friend in the United States by the name of Gingrich who is talking about balancing the books in 2002. We do not talk like that; in Canada we do it.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister.

A little more than a month after the Quebec referendum, the unemployment insurance reform tabled by the government calls for both the maintenance of national standards and the implementation of five new manpower programs as demanded by Quebec.

In light of the maintenance of national standards and the introduction of new programs, will the Prime Minister admit that the proposed reform does not in any way reflect the distinct and unique character of the people of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the reform has been well received all over the country. I have figures in front of me showing that 66 per cent of people in Quebec feel it is a well balanced reform which respects the regions.

But an unemployed person is an unemployed person. What does he or she need from government? Good programs. Language has nothing to do with it. The unemployment insurance system takes money from those parts of Canada where people have the good fortune of having jobs and shares it with others who, in other areas, do not enjoy that privilege. It has nothing to do with language and culture; it has everything to do with respect of the individual, and all citizens of Canada are treated equally.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it has been made very clear that this reform targets Quebec and the maritimes. It is a far cry from what the Prime Minister said.

How can the Prime Minister claim that his motion on the distinct character of Quebec holds any meaning when, the first chance he gets, he makes a total mockery of a unanimous request from the Quebec National Assembly by treating Quebec like any other province, subjecting it to the same national standards when it comes to manpower?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have done what we said we would do, namely withdraw from manpower training and make these funds available to those individuals who are our clients, the unemployed. We want to make sure that the money they contributed in while working gets back to them instead of going to others.

As for the question of a distinct society, I note, once again and for the third time, that the members of the Parti Quebecois and of the Bloc Quebecois will again vote, in their great hypocrisy—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint-Maurice): Yes, Mr. Speaker, they will again vote against the distinct society, because they criticize us and when the time comes to vote in the House, they vote against—

Some hon. members: Oh, oh.

The Speaker: Dear colleagues, I would ask you all to be a little more careful in your choice of words during question period. As we know, words that stir up one side are usually replied to in kind.

• (1435)

[*English*]

I ask all hon. members to please be very careful in their choice of words. Naturally we would not allow some terms to be used against individual members but when they are used in a general way they have been acceptable in the House.

* * *

UNDERGROUND ECONOMY

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, last week the Minister of National Revenue and taxation bragged about raising $1.1 billion out of the underground economy.

If he were truly serious about attacking the underground economy why were Revenue Canada auditors instructed not to audit visible minorities?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the basis of the hon. member's question is false.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, if that is truly his answer, if he really believes it is false, then this gentleman is not doing his work.

A report was done by Ernst Young on the underground economy. A lot of field auditors were interviewed, reviewed and visited. They were asked what was going on. Six, seven or eight case reports were done. The study and some off the record remarks by auditors confirmed they were instructed not to audit certain visible minorities "due to potentially explosive political repercussions".

Further, the minister should know that 90 per cent of liquor smuggling in Ontario comes across one certain spot near Cornwall.

I again ask the minister what steps he is taking to ensure his auditors apply the rules of the Income Tax Act to everyone equally regardless of race.

Hon. David Anderson (Minister of National Revenue, Lib.): Typically, Mr. Speaker, the hon. member talks about off the record information.

We in Revenue Canada have a number of situations which can be difficult. One example is the transport of grains across the border to the United States where our customs officers are told not to stand in the way of a speeding truck. No, they take the licence number and we arrest the truck later. That is the type of situation we have there which of course the Reform Party, which approves of running the border, thinks is a good thing.

With respect to other situations in which there could be risk to our officials, we instruct them not to take unnecessary risks. We instruct them to proceed with their work. We certainly do not instruct them, as the hon. member has claimed, to avoid any visible minorities.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. By lowering the maximum insurable earnings, the government is making its most significant tax reduction, that is $900 million, in the interest of high income earners, while at the same time reducing the benefits paid to seasonal workers and collecting premiums from workers who hold precarious jobs.

Will the minister admit that, contrary to his claim that this reform is fair, the new proposed system is regressive and unfair, in that it gives some of the benefits taken away from the poor to those who have stable and well paid jobs?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has a habit of being able to understand only half the equation.

The other half of the equation is that higher income earners will therefore have fewer benefits because they pay less of a premium. The reason is the maximum insurable earning has gone up to 40 per cent higher than the average industrial wage. The recommendation of both the seasonal task force and the House of Commons is that it should be frozen or brought down because it far exceeded what was required and therefore much higher payments were going out to those at higher income levels. That is the reason we brought in the reform. It was to be fair.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the other half of the equation is that the minister is taking money from people who were not contributing before. Will the minister recognize that it is unfair to have high income earners pay lower UI premiums, while people who work part time less than ten hours per week will now have to pay premiums, even though they will not be eligible to collect UI benefits?

• (1440)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, this poor member has it so totally wrong. It is incredible how mistaken he really is. The reality is we have extended coverage to part time workers.

More workers at part time levels will now have the opportunity to be extended. If they are not eligible we offer a full rebate of their premiums up to $2,000. Obviously this member cannot read.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, last Friday the minister of human resources announced two mega training programs, one for $800 million and the other for $300 million.

Federal training programs have proven a colossal failure. The auditor general says regional development programs do not create jobs, except of course for federal bureaucrats.

Why is the minister throwing over a billion dollars into more wasteful training programs when the auditor general says the programs will not create jobs?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first let me make a correction in the statement of the hon. member. The employment measures are not just for training. They are directed specifically at a number of tools to help people get back into the workforce.

Self–employment is a good example. Over the past two years in a number of test projects across the country we have been able to take people on the unemployment insurance system and help them start their own business, thereby creating a job for themselves and a job for another person. Sixty thousand jobs have been created by one of the tools we included in that package.

Another tool is the use of a wage supplement which again helps small business people to create tools. We have evaluated specifically that in these measures we can add up to 15 additional weeks of work and, more important, up to $5,000 additional income for the people who use these proposals under our measures. That seems to me an awfully good investment.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I am not talking about test projects. I am talking about creating sustainable long term jobs, and not with these billion dollar boondoggle projects.

In his last report the auditor general said there is absolutely no evidence that training is accompanied by new jobs. The $1.1 billion needed for these wasteful programs will come at the expense of part time workers.

When the auditor general has said these training programs will fail, why is the government hammering part timers to the tune of a billion dollars to pour into its bottomless pit of so–called job creation, mega training programs?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to quote an authority whom the hon. member might accept as even more valid than the auditor general: the member for Calgary Southeast herself.

She wrote to me on April 10 saying the community of Calgary Southeast has a proposed training centre. It is well known that this area is Calgary's home to many who are unemployed, struggling and lacking in ability.

I encourage her to consider supporting this training project and help in the revitalization of Calgary Southeast. It seems to me the member for Calgary Southeast wanted training programs for members of her riding. Why does she not want them for the rest of Canadians?

* * *

[*Translation*]

STANDING COMMITTEE ON CANADIAN HERITAGE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister.

Yesterday, government members of the Standing Committee on Canadian Heritage maintained that there was no such thing as a Quebec culture, that there was only a single and broad Canadian culture. At the same time, they were sharply criticizing Telefilm Canada for funding sovereignist Quebec artists.

• (1445)

Does the Prime Minister agree with the members of his caucus, who say there is only one culture in Canada and that Telefilm Canada must now fund artists according to their political opinion?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is a French culture in Canada, which is Canadian. It is in Quebec primarily, but I think the culture of the Acadians and Antonine Maillet forms part of the French culture, and this culture is not necessarily Quebec culture.

So, when we talk about a Canadian culture, it may be of French or English expression. This morning I spent time with Canadian natives who were having ceremonies. They too have a culture, which is entirely their own but Canadian at the same time because it covers all of Canada. There are people of this culture in British Columbia, in Quebec and in the maritimes.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the cat is finally out of the bag. The Prime Minister, a Quebecer, has just denied his own culture. Will the Prime Minister acknowledge that his fine speeches in recent weeks on the distinct nature of Quebec society were nothing more than pure hypocrisy, since he did not manage even to convince—

The Speaker: My dear colleagues, I would ask you once again not to use words that incite on both sides. I would again ask the hon. member to carefully choose and use her words, as I have before. I would ask you not to use the word "hypocrite". Now, if the hon. member would put her question.

Mrs. Tremblay (Rimouski—Témiscouata,): Mr. Speaker, I will phrase my question using the same word the Prime Minister used. Will he acknowledge, since he has not even managed to convince the members of his own caucus that Quebecers are a people, that there is a distinct culture and that the federal government must not lose sight of this in implementing its programs?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I return to my argument. French culture is not found only in Quebec. English culture is also found in Quebec. Gabrielle Roy came from St. Boniface, Manitoba, and she is considered one of French Canadian literature's finest. Her works continue to be used today in schools in Quebec. That is just to show the quality. I think that the member for Québec–Est, who was born in Penetanguishene, learned French culture and the French language in Ontario, and he is not any less French, because he is with the Bloc today.

• (1450)

What I am saying, and I have a number of examples, is that French culture may be found throughout Canada, and that English culture may be found in Quebec. We cannot say that Quebec is strictly French, because all sorts of people live in Quebec. There are a lot of proud francophones living outside Quebec.

* * *

GUN CONTROL

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, my question is for the Minister of Justice.

The passage of Bill C–68 marked an historical moment for Canada and for the families of the 14 École polytechnique victims.

[*English*]

Bill C–68 is the greatest memorial the government could have erected to the young women and their families. In the spirit of this national day of remembrance and action on violence against women, what specifically does the minister feel Bill C–68 will accomplish?

[*Translation*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would like to begin by pointing out the important contribution made by those who lost family members in the Montreal tragedy six years ago today.

[*English*]

If it were not for the commitment and the hard work and perseverance of the families of those victims, this important matter would not have found its way to the top of the national agenda. We are in their debt for the work they did to ensure the passage of the bill.

In specific response to the question put by the hon. member, whose own work was so important in this regard, may I emphasize that every year in Canada some 13,000 orders are made in the courts of the country prohibiting people from having firearms because they have shown a propensity for violence. Too often that violence occurs in the context of the home. By a margin of two to one, when men kill women in the home the weapon of choice is a firearm, and 80 per cent of the time it is a rifle or a shotgun. It is almost always legally owned.

The registration system that is provided for in this bill will permit police to enforce those orders to remove firearms and save lives. That is only one of the ways this bill will help in the effort we must make continuously to deal with violence by men against women.

* * *

CANADIAN WHEAT BOARD

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, today the results of the Alberta plebiscite on producer exports for wheat and barley were released. Sixty–six per cent of barley producers and 62 per cent of wheat producers, a good strong majority, voted for choice and options to export these grains outside Canadian Wheat Board jurisdiction.

Will the agriculture minister respect farmers' choice and options to export their own wheat and barley?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I remind the members opposite in the industry to keep the results of the plebiscite that was announced today in perspective.

As far as the results, that plebiscite gives us the opinions of a number of producers on an issue in one province. It is a wide–ranging issue that affects all of western Canada. The number of producers who expressed their view are just a little over 10 per cent of all the grain producers with permit books in western Canada.

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the agriculture minister and the Prime Minister seem to forget that a promise made is a debt unpaid.

Two years ago both the minister and the Prime Minister promised prairie farmers a producer plebiscite on grain marketing. It only took a few weeks for the Prime Minister to make good on commitments to the separatists in Quebec and now this

government is ramrodding Quebec appeasement legislation through the House. Are prairie farmers second class citizens to the separatists in Quebec?

Will the Prime Minister fulfil his own promise today and commit his agriculture minister to hold a prairie–wide binding referendum on grain marketing?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I remind the hon. member that before he makes a statement on what the Prime Minister said, he should have his facts straight. I do not recall the hon. member being present when the Prime Minister made that statement. I was.

• (1455)

The Prime Minister at that time said the minister is following through on that. The minister has put in place a process called the western grain marketing panel to consult with members, participants, and all stakeholders in the western grain industry before the consideration of any changes, if there were ever to be changes, to the western grain marketing system.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the secretary of state for the status of women.

In the speech she gave at the 4th world conference on women, the hon. secretary of state demanded equal rights for all women. At the same time, she presented to the whole world the famous plan for equality between the sexes concocted by her government to achieve this noble objective.

Since it is acknowledged that the campaign against violence can only succeed if women achieve economic equality, can the secretary of state tell us if her government has taken its famous plan for equality between the sexes into account in its UI reform?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, yes, we have certainly conducted an in depth analysis of all the data affecting the lives of women and men to determine the impact of all the actions taken by the Minister of Human Resources Development in this regard.

I must also tell you, Mr. Speaker, that we considered the fact that, in the end, taking every hour worked into account is a winning proposition for women. I am proud of what we have done.

Furthermore, our government's decisions affecting poor families and children are an important part of our initiatives. We should all be proud and give the right information on what our party has done in this regard.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have a supplementary question.

Since we know that 70 per cent of part time workers are women and that the UI reform will have a very negative impact on them, will the secretary of state admit that her famous plan for equality between the sexes simply does not work and is a total failure?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): No, Mr. Speaker, I do not acknowledge these facts, which are neither current nor true. Our minister has responded to this line of inquiry several times by showing how women in part time and seasonal jobs will fare better in relation to the number of hours worked both for the well–being of their society and for their own families.

I think my colleague would be well–advised to look at the data more closely; she would be very happy with the results.

* * *

[*English*]

MAGAZINE PUBLISHING

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, yesterday a Senate committee proposed an amendment to Bill C–103 that would grandfather the split edition of *Sports Illustrated* Canada. This is one of the amendments the Reform Party proposed. It was also a recommendation of the task force on magazine publishing.

Here is something interesting. The Minister for International Trade wrote a letter to the Minister of Canadian Heritage in January 1994 suggesting the same thing. Does this indicate a split in the cabinet over the split runs?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, of course there is cabinet solidarity on the subject. What the Minister for International Trade wrote in a letter to me dated January 27 was a report of the conversation he had with his American counterpart, Mickey Kantor. It is quite natural for the Minister for International Trade to report to the Minister of Canadian Heritage on the views expressed in the United States.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, careful reading of the letter clearly shows that the Minister for International Trade was making a recommendation to the Minister of Canadian Heritage, which he chose to ignore.

Point of Order

• (1500)

The most disturbing aspect of the bill is that the Canadian government has now decided to place a tax on any future Canadian split runs into the United States. If the bill becomes law, a Canadian magazine that wants to export a very similar magazine to the United States will be subject to an 80 per cent excise tax imposed on it by its own Canadian government.

How in the world could the heritage minister have created such a bone headed law that punishes Canadian industry?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the policy on split runs has been in effect for something like 30 years. It has helped the Canadian magazine industry which has contributed to our understanding of ourselves as Canadians. It contributes to our identity. It contributes to national unity, a fact that our colleagues in the Reform totally ignore because they are not interested in Canadian unity.

* * *

VIOLENCE AGAINST WOMEN

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, two economic studies were released yesterday by the Centre for Research on Violence Against Women and Children in my riding. They put the annual calculable cost of this violence at over $4.2 billion, with health related costs alone at $1.5 billion annually.

I ask the Secretary of State for the Status of Women how knowledge about the cost of violence against women will affect government action on this very important issue.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, at the outset I recognize and thank the member for London West and particularly Dr. Greaves from the Centre for Violence Against Women which undertook this study at the behest of Status of Women Canada.

The question of the pervasive nature of violence against women and children and its negative impact in a social, economic, health and criminal sense is very serious. There is no doubt the issues described in the study are vital and important to us all.

I will study the findings. I will recommend certain actions to the Minister of Justice and to the Minister of Health, notwithstanding which I would suggest to all members of the House, to all levels of government and to societies and municipalities that the problem is beyond just this government which has done a very good job through the Minister of Justice with respect to the criminal element.

The social and economic aspects still need to be addressed. Until the economic interests of women are looked into, we will have ongoing violence against women and children.

BANKING

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is with regard to the embarrassingly high bank profits that have been announced in the last few days.

As a result of the UI changes almost $1 billion was taken out of the pockets of working Canadians and small business operators. With obscenely high bank profits being registered, what steps will the Prime Minister take to make sure they too pay their share of the deficit?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, like other corporate citizens they are paying taxes on their profits. In the last budget the Minister of Finance imposed a special $100 million tax on the profits of banks. They pay more than the normal share, but the Minister of Finance will look into the situation. It is a sign in some ways that the economy is performing better than before.

I hope they will pay a lot of tax out of these profits as we need the money to create jobs in Canada.

The Speaker: I have an announcement to make before dealing with a few points of order. During question period the lights went off and on. I want members to know, so that when they return to their offices they will know what is going on, that there is a general power failure in parts of downtown Ottawa. The emergency generator at the House is now in operation. We are recording the television signal but nothing is being distributed until power is restored.

• (1505)

Our computer system was cut and needs to be restarted, which takes approximately an hour. Therefore the blues from question period will be delayed.

* * *

POINTS OF ORDER

VIOLENCE AGAINST WOMEN

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise on a point of order to seek unanimous consent of the House to observe one minute of silence in memory of the 14 young Canadian women who were murdered six years ago this day in Montreal, on December 6, 1989.

The Speaker: The House has heard the suggestion. Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: The House stood in silence.*]

COMMENTS DURING QUESTION PERIOD

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, my point of order arises from an answer the customs

and revenue minister gave. He said that the Reform Party encouraged farmers to illegally run the U.S. border.

The Reform Party has never encouraged farmers to run the border with their grain. The customs and revenue—

The Speaker: I think the hon. member has a point of clarification. It is not a point of order but a point of debate. I thank him for raising it.

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 16 petitions.

* * *

[*Translation*]

STATUS OF WOMEN

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, today is a day of remembrance.

Today, we reflect on the tragic December 6, 1989 when 14 women died in the prime of their lives. Today, we also want to reflect on the thousands of women who face violence as a daily reality.

It was also 25 years ago tomorrow that the royal commission on the status of women tabled its report in this House.

[*English*]

The report was a landmark study of the status of women in Canada. It contained 167 recommendations ranging from equalizing women's opportunity in the workplace to recognizing the equal contributions of both partners in the division of family assets upon marriage breakdown. Most of its recommendations have now been implemented. For example, sex discrimination is now prohibited under all of Canada's labour laws. Minimum wages are the same for both men and women. Maternity leave and parental leave benefits can be claimed.

• (1510)

The royal commission, however, did not identify violence as a major issue, but its members had a vision about what it would take to achieve equality. They predicted that as we uncovered the root causes and consequences of women's unequal status new issues would emerge that would need addressing, and they

were right. In the last 25 years we have uncovered a close relationship between a woman's lack of equality and her vulnerability to violence, and we have brought it out of the shadows.

At the fourth United Nations world conference on women in Beijing, Canada made a commitment to implement the conference's platform for action, a powerful global agenda for the advancement of women. Among the 12 main themes it contains a plan of action to address violence against women. The global platform reaffirms that violence against women is not a private concern and that states must exercise diligence to ensure that violence is not occurring in homes, in schools, in the workplace or on our streets.

[*Translation*]

Another commitment is the federal plan for gender equality, released in August. The plan is a framework for federal action to bring about equality for women in Canada.

We created the plan in conjunction with our preparations for the Beijing conference, and it includes several commitments to address violence against women.

There have been significant changes since the royal commission report. At that time, only one woman was a member of the House of Commons, Grace MacInnis.

[*English*]

There are now 54 women in the House. Whatever our political persuasion, we share a debt of gratitude to the royal commission, for without its vision the road here would have been longer and harder. Women's voices are now heard in the Chamber. Violence against women is now openly discussed. Women and men are working together to find solutions. I am confident that together we can find solutions at all levels of society.

Today in particular I to commend the House for its support of the historic legislation on firearms control. The weapon used at l'École polytechnique will soon be banned.

All of us want to make the country safer for women. We will succeed with the help of our partners, the men in the House and the men of the country, the NGOs, individuals, labour, business and other levels of government.

In memory of the women who died six years ago, let us pledge to continue our campaign against violence to prevent such tragedies and to give women and girls their rightful place in society.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, it is with a great deal of emotion that, like all the hon. members of this House, I wish to pay tribute today to the 14 young women who were gunned down by an assassin six years ago. We join their families and friends in remembering them and thinking about the impact that their death will have on our society.

As the hon. secretary of state for the status of women mentioned, the tragedy that took place at l'École polytechnique prompted us, collectively, to reflect on the steps we should take to ensure that such a tragedy never happens again. This is a joint undertaking in which each of us must take part. The lives of our daughters, sisters, colleagues, friends and fellow citizens and their safety are at stake.

The second part of my remarks is intended not to be critical but rather to be constructive. I believe that, as parliamentarians, we must speak candidly about our concerns to further the common cause of equality for women. As the secretary of state for the status of women quite rightly pointed out, 25 years ago, the royal commission on the status of women came to the conclusion that violence against women can only be curbed by ensuring equal rights for women.

• (1515)

I am pleased to see that just today the Quebec government has taken some very concrete steps regarding conjugal violence. Today, the Government of Quebec tabled in the National Assembly its action plan on conjugal violence. It is important to turn our attention to this plan for a moment.

First of all, I should point out that six ministers have co–operated in developing a structured and integrated action plan: the ministers of justice, health and social services, public security, and education, the minister responsible for family affairs and, finally, the minister responsible for the status of women.

Many actions are planned, but I will just list a few. In all cases, during the inquiry on the provisional release of the accused, the attorney general's prosecutors will be required to ask the court to set as a condition for release that the accused surrender his weapons to the police.

Second, victims will be informed quickly and automatically of the provisional release of the accused and of the conditions set by the court. They will also be informed of a release under a temporary absence or parole program.

Third, a prevention campaign on violence against women will be launched. Moreover, the Quebec police information centre will record all cases of spousal abuse, as well as all conditions for release. Firearms will be confiscated immediately when a spouse is arrested. In the education sector, the emphasis will be put on the prevention of spousal abuse and screening for children who witness such violence. This is what we call action.

Again, these are only a few of the measures included in the Quebec action program. On behalf of my colleagues, of women who are victims of spousal abuse, and of Quebecers, I congratulate the Quebec government on this major initiative.

While Quebec is taking action in its fields of jurisdiction, what does the federal government do?

Mrs. Finestone: We implemented laws to take similar action.

Mrs. Gagnon: There is some and, in fact, quite a bit of inertia at the federal level. Let us start with the achievements of the government, as mentioned by the secretary of state for the status of women. I must say that I have some sympathy for the hon. member who must work with a government that shelved the issue of women as soon as it took office.

An hon. member: You know that is not true.

Mrs. Gagnon: So, this government approves a plan to promote equality between men and women. Mr. Speaker, could they please let me finish? The government pledges to implement the program for action approved at the 4th world conference on women. It passes a bill on gun control. That is nice, but that is also very little after two years in office.

Let us now look at what the government did not do. Let us look at the missed opportunities. There are quite a few. The government did not amend the Criminal Code to specifically prohibit female genital mutilation. That is also a form of violence. It does not happen here, but it is a form of violence. It also takes place in Canada. The government did not protest to Chinese authorities when, just last week, the situation of orphan baby girls became public. That is also a form of violence against women. These women are seen as expendable.

The government did not amend the Canadian Human Rights Act to protect homosexuals against discrimination. That is also another form of violence. The government did not put its reform projects through the prism of its plan to promote equality for women, thus forcing many women to live in poverty. That is another form of violence, and we are still a long way from achieving equality between the two sexes.

In conclusion, I ask the government to truly follow the spirit and the letter of the recommendations made 25 years ago already. I ask the government to implement, in its own fields of jurisdiction, true measures to promote equality between men and women, so that some day we can say that the tragedy which occurred at Polytechnique was a terrible but isolated incident.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I think all members of this House share in the painful memory of the tragic event that happened six years ago, in 1989, when we lost 14 of our young women at l'École polytechnique in Montreal. They fell victim to a senseless crime.

• (1520)

[*English*]

We all believe the rights of victims of crime must be placed before the rights of criminals in society. Today we feel those sentiments most deeply.

Exactly one year ago today in the House of Commons we held an emergency debate on violence against women. I appreciate the noble sentiments that continue to be espoused by those who speak on this and similar issues, for I too share those ideals. However, I am greatly concerned that in the intervening years since that emergency debate very little has been done to improve the situation.

I am concerned that the House does only lip service to addressing the issue of violence against women, children and men. Remember, we must not limit our focus to eradicating violence against women. We must enlarge our scope and become active pacifists to wipe out senseless violence in society. We must rally to this sentiment and demonstrate to the world that Canada is a leader in its efforts to reduce crime, to safeguard its citizens and to champion the rights of victims.

To do this we must get at the root of the problem, not just smooth over the symptoms. Gun control will not in and of itself solve the problems of violence in society.

I believe that until the government of the day can identify the root causes of crime, until it can identify the reasons for domestic violence and violence against women, we will continue waking every day to face the personal tragedies brought on by crime.

Today the government must take a more positive step in the area of violence against women and demonstrate its commitment to rooting out the problems the minister has alluded to.

In its press release of November 27 of this year Status of Women Canada called violence against women a violation of women's human rights. I agree with this statement and I believe the government should enforce its sentiments.

The government sent many people at great taxpayer expense to the women's conference in China. I challenge that conference site on the basis of China's terrible record of human rights abuse, especially to women, children and political dissidents. At that conference our government confirmed that eliminating violence remains a priority. It should be, and according to the secretary of state it is, a global goal not limited to Canada.

Today is a serious day for us all, a day for us to remember, a day for us to help the healing. It is a day when we should all commit to moving forward. We must foster attitudes which promote peace and tolerance and express zero tolerance for the violation of human rights and zero tolerance for violence against women.

Echoing sentiments of the Secretary of State for the Status of Women, I pledge and let us all pledge in memory of the women who died six years ago to continue vigorously our campaign against violence to prevent such tragedies.

Mr. Taylor: Mr. Speaker, on a point of order, I request the consent of the House to speak briefly on this subject on behalf of the New Democratic Party.

The Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I appreciate the opportunity to address the House on this important day. I rise on behalf of all New Democrats on this national day of remembrance and action on violence against women, December 6.

Today is the anniversary of the 1989 Montreal massacre at l'École Polytechnique. Fourteen women died on this day, a great tragedy. Today we reflect on, remember, mourn and call for further action to address and prevent violence against women.

• (1525)

On this day I also remember the work of my former colleague, a New Democratic member of Parliament from British Columbia, Dawn Black, whose efforts during the previous Parliament led to the establishment of this national day of remembrance and action. I think of her dedication to the House and to the issue of violence against women when I think of the motion today.

I also remember and sympathize with the families of the 14 women who died simply because they were women. Those families live with the effects of this great tragedy in ways many of us will never fully understand.

Violence cannot be condoned, but it cannot be treated only with punishment. We must understand violence and treat the causes as well as the criminals. A plan of action must be recognized every day of the year, in every part of the country and in all our actions. We must deal with the economic and social roots of the circumstances which lead to violence against women. We must deal with economic and social legislation in the House. We have to keep in mind the possible human consequences of that legislation every day of our lives. We are confronted daily with decisions we can make in the House which may affect people in ways which could lead to violence and we must address those matters.

Today is the day on which we reflect on, remember and mourn that which has been done to women. We must address the need to work further on this important issue. I trust all members of the House will heed the call for action on this important day.

Mrs. Wayne: Mr. Speaker, I rise on a point of order. I also would like the opportunity to speak on this subject.

The Speaker: Is that agreed?

Some hon. members: Agreed.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, today on the national day of remembrance and action to end violence against women I rise to extend the sympathies of my party to victims of violence across the country.

Six years ago 14 young women were brutally murdered at l'École Polytechnique in Montreal. That act of violence reverberated across the country. Its pure senselessness shocked us profoundly. It made us question the direction Canadian society was taking. It prompted the federal government to take action to deal with this issue at home and internationally.

As a society we must be committed to stopping violence against women both in and outside the home. We have to address the root causes of violence. As members of the House we must pass laws which will do that. Progress is being made on this front, but only continuing efforts involving each and every one of us on both sides of the House will change the attitudes which perpetuate violence.

To the families of the 14 young women whose lives were so brutally cut short six years ago today and to all those who have suffered because of violence, they are in our thoughts and in our prayers. It is not enough to have a policy of zero tolerance against violence. As legislators we must take concrete action so that women, indeed all Canadians, can lead their lives free from the fear of violence. We must try to find out what has happened in our society and what has changed in our society which brings about these brutal acts.

* * *

• (1530)

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report from the Canadian section of the International Assembly of French Speaking Parliamentarians, together with the financial report concerning the twelfth session of the AIPLF Regional Assembly of America, held in Quebec City, July 12 to 14, 1995.

* * *

[*English*]

COMMITTEES OF THE HOUSE

HEALTH

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, pursuant to the order of reference received from the House dated November 8, 1995, I have the honour to report on behalf of the chairman, the hon. member for Burin—St. George's, Bill C–95, an act to establish the Department of Health and to amend and repeal certain acts, with amendments.

[*Translation*]

Your committee referred the bill to a subcommittee. According to the standing committee's resolution dated November 7, 1995, and in anticipation of the order of the House, the report from the subcommittee was deemed adopted as the seventh report from the standing committee during yesterday's meeting.

[*English*]

Copies of the relevant minutes of proceedings and evidence of the subcommittee and the standing committee are also tabled.

HEALTH

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, pursuant to Standing Order 108(1) and 108(2), on behalf of the chair, the hon. member for Burin—St. George's, I have the honour to present the eighth report of the Standing Committee on Health entitled "A Study of National AIDS Strategy: Report of the Subcommittee on HIV–AIDS".

Pursuant to Standing Order 109, we are asking for a government response to our report.

[*Translation*]

That sub–committee was created by the Standing Committee on Health in 1994. Its precise terms of reference were to study the spread of HIV, the prevention and the treatment of AIDS and the support for HIV carriers and AIDS sufferers, and to focus particularly on the role of poverty and discrimination in that situation.

The sub–committee has now completed the first phase of its work, that is a thorough review of the National AIDS Strategy. It held hearings from December 1994 to May 1995.

The report touches briefly on the epidemiology of HIV in Canada and around the world. It deals with the various elements of the strategy, the orientation, the coordination, the partnerships, the budget, community action, education and prevention, care and treatment, and finally, research. It contains several recommendations suggesting that the federal government increases its efforts in the fight against the AIDS epidemic.

[*English*]

Copies of the relevant minutes of proceedings of the subcommittee and the standing committee are also tabled.

PETITIONS

SRI LANKA

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I would like to present a petition from 110 British Columbians, many of them from my riding of Vancouver East.

The petitioners draw the attention of Parliament to the continuing military offence in Sri Lanka and the arrest in Toronto of Mr. Manickavasagam Suresh.

The petitioners call on Parliament to ensure Canadian neutrality so that the national conflict in Sri Lanka is not jeopardized; to intervene immediately and release Mr. Suresh; to take action to lift economic embargo and press censorship in the north and east of Sri Lanka; to allow freedom of movement of the civilians in the north and east of Sri Lanka without fear, intimidation, and terror; and to resolve the conflict between the Tamil people and the Sri Lankan government through peaceful negotiations between the Sri Lankan government and the LTTE, the representative of the Tamil people.

HUMAN RIGHTS ACT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have two petitions to present today on behalf of the residents of Simcoe Centre.

The first group of petitioners request that the Government of Canada not amend the human rights act to include the undefined 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.

CRIMINAL CODE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition involves section 718.2 of the Criminal Code.

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.

• (1535)

MILITIA

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have the privilege of presenting a petition asking the government to respect and maintain the historic significance of militia units in Canada. This particular petition comes from Brockville and of course they are referring specifically to the famed and historic Brockville Rifles.

Their feeling is that in the haste to streamline the role of Canada's forces, the militia will be looked upon as an easy target and something that can be done without much significance. However, I want to remind the government that very often in small communities that is the only federal presence that exists. Therefore, I would like to see it maintained and restructured or the role redefined. The petitioners understand that change is likely to happen, but they are not prepared to see it happen in such a way that there will no longer be reserves. It is a pleasure to present this petition.

The second petition I have contains 2,500 names and concerns the same topic of maintaining the Brockville Rifles, but it is lacking a little in form. I am using this method in bringing this concern to the public.

BOVINE SOMATOTROPIN

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, I have two petitions from constituents of Trinity—Spadina. The petitioners would like to see Parliament ban the use of BST in Canada and not accept dairy products from countries where BST is used to treat cattle.

* * *

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 it agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

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.

[*English*]

The Speaker: I wish to inform the House that pursuant to Standing Order 32(2)(b), because of the ministerial statement, government orders will be extended by 20 minutes.

GOVERNMENT ORDERS

[*English*]

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

MOTION THAT DEBATE BE NOT FURTHER ADJOURNED

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, with regard to government business Motion No. 26, I move:

That the debate be not further adjourned.

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. 391*)

YEAS

Members

Alcock
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Boudria
Brushett
Caccia
Campbell
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Collins
Cowling
Dhaliwal
Dromisky
Dupuy
Eggleton
Finestone
Flis
Fry
Gagliano
Gerrard
Graham
Grose
Harper (Churchill)
Hopkins
Ianno
Jackson
Anderson
Assad
Augustine
Bakopanos
Bélair
Bellemare
Bethel
Bhaduria
Bonin
Brown (Oakville—Milton)
Bryden
Calder
Cannis
Cauchon
Chan
Clancy
Collenette
Comuzzi
DeVillers
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Gray (Windsor West/Ouest)
Guarnieri
Harvard
Hubbard
Irwin
Jordan
Keyes
Knutson
Lastewka
Lee
Loney
Maclaren
Malhi
Manley
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Patry
Peric
Peterson
Pillitteri
Reed
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Ur
Vanclief
Volpe
Wappel
Whelan
Young
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Martin (LaSalle—Émard)
McCormick
McKinnon
McWhinney
Milliken
Minna
Murphy
Nault
O'Brien
Pagtakhan
Parrish
Payne
Peters
Phinney
Proud
Regan
Rideout
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Valeri
Verran
Walker
Wells
Wood
Zed—146

NAYS

Members

Abbott
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chatters
Crête
Daviault
Dubé
Dumas
Epp
Forseth
Gauthier
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Ménard
Mills (Red Deer)
Ablonczy
Asselin
Bachand
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Chrétien (Frontenac)
Cummins
Deshaies
Duceppe
Duncan
Fillion
Gagnon (Québec)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Nunez

Penson	Picard (Drummond)
Plamondon	Riis
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Solomon
Speaker	St-Laurent
Stinson	Strahl
Taylor	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	White (North Vancouver)
Williams—93	

PAIRED MEMBERS

Bouchard	Brien
Canuel	Copps
Culbert	Dalphond-Guiral
de Savoye	Debien
Dingwall	Fewchuk
Lavigne (Verdun—Saint-Paul)	Marleau
Mercier	Ouellet
Paré	Pomerleau
Robichaud	Robillard

• (1620)

The Speaker: I declare the motion carried.

Mr. Strahl: Mr. Speaker, I rise on a point of order. We just had a very important vote in the House of Commons. I do not know where the member for Sherbrooke is. I wonder if possibly we could—

Some hon. members: Oh, oh.

* * *

BUSINESS OF THE HOUSE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I think you would find unanimous agreement for the following motion. I move:

That, on Thursday, December 7, 1995, if any division is demanded with regard to any business pursuant to Standing Order 81, the said division shall be deferred until 6.30 p.m. on Monday, December 11, 1995; and

On Friday, December 8, 1995, notwithstanding the Order made Thursday, November 30, 1995, the putting of the question on any motion relating to the Business of Supply pursuant to Standing Order 81 shall be deferred until 6.30 p.m. on Monday, December 11, 1995.

(Motion agreed to.)

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I believe you will find that there is unanimous consent to agree to the following motion. I move:

That, during the debate on Government Business No 26 today, there shall be no quorum calls nor dilatory motions accepted by the Chair, and that at the expiry of the debate, the question then before the House shall be deemed put and a recorded division deemed demanded and accordingly deferred to 6.30 p.m. Monday, December 11, 1995.

(Motion agreed to.)

* * *

[*English*]

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

The House resumed from November 29 consideration of the motion.

• (1625)

The Acting Speaker (Mrs. Maheu): Mr. Manning moves the following amendment:

That the motion be amended by adding immediately after the word "accordingly" the following:

"5. Nothing in this resolution shall:

(i) confer or be interpreted as conferring upon the legislature or government of Quebec, any new legislative or executive powers, proprietary rights, status, or any other rights or privileges not conferred on the legislature or government of any province;

(ii) diminish or be interpreted as diminishing in any way the rights and freedoms of any resident of Quebec;

(iii) deny or be interpreted as denying that Canada constitutes one nation".

Mr. Boudria: Madam Speaker, a point of order. I wish to invoke Standing Order 43(2). Liberal members will be sharing their time 10 minutes and 10 minutes for the rest of this debate.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I had prepared a speech, but I am going to have to leave half of it out, because something happened during question period which I find extremely important. But first, I would like to let you know that all Bloc members will speak for 10 minutes only.

Last Wednesday, when he tabled his motion, the Prime Minister said, and I quote:

—Quebec is a distinct society within Canada. As a Quebecer and a francophone, I understand and share the desire of my fellow Quebecers to have our difference recognized.

He was talking to the motion he had tabled in the House. The motion reads as follows:

That

Whereas the people of Quebec have expressed the desire for recognition of Quebec's distinct society;

(1) the House recognize that Quebec is a distinct society within Canada;

(2) the House recognize that Quebec's distinct society includes its French-speaking majority, unique culture and civil law tradition;

This afternoon, during question period, I asked the Prime Minister if he was in agreement with his colleagues on the heritage committee who, for the past two weeks, have been coming strongly against the distinct society and Quebec culture. I asked the Prime minister if he believed that his colleagues had the right to state that there was only one culture in Canada, and

that, from now on, Telefilm Canada should fund artists on the basis of their political obedience.

The Prime Minister rose in this House and said that in Canada, there was only one culture, a Canadian one, whether French or English. It would appear that, two weeks after tabling in the House a motion saying that we are distinct because of our unique culture, the Prime Minister has not understood his own motion, probably because it was written by a member of his staff. If our culture is unique, it is the Quebec culture since we are in Quebec, and that is what we are requesting.

Our culture is unique because it is French, because among other things our majority is French–speaking. But, today, the Prime Minister said: "No. There is only one culture and it is Canadian." You cannot have it both ways, either the Prime Minister does not understand the meaning of the motion or he understands very well and, for the first time this afternoon, when he rose in the House, he recognized that Quebec is not a people, that there is only one people and it is Canadian, English Canadian preferably. However, he allows us the privilege of expressing the English culture in French. This is the gist of what he said this afternoon.

Yet, when we passed the bill which created the Department of Canadian Heritage we asked that the government be responsible and acknowledge that there was a distinct society in Quebec. We repeated our request, we proposed amendments to recognize Quebec culture, but the Liberal government trivialized Quebec. It made its culture part of the Canadian melting pot, excluding it from its bill on culture and denying Quebec its very distinct existence, its fundamental right to express its difference.

• (1630)

During the last two weeks, the Liberal Party's representatives on the Heritage Standing Committee practically had allergic reactions every time they heard or met witnesses who financed artists or films.

Today, the Quebec people want to be recognized as a people and want the powers which go with it. On October 30, 49.5 per cent of Quebecers voted for a country of their own; the federal government is offering us an empty shell, which has only some value as a symbol, and we realized today that it is not even worth the paper it was written on two weeks ago.

Quebecers are a people. As early as 1766, the English government of Murray said that Quebecers, who were then called Canadians, were a brave and courageous people.

In 1791, the Constitutional Act divided Canada's territory into two colonies, in order to recognize the existence of two peoples on its territory. At that time, these two peoples were called the Canadian people, but they lived in Quebec, hence today's Quebecers, and the British people.

In 1839, Lord Durham, whom we cannot suspect of being a Quebec nationalist or of having a separatist frame of mind, came to the following conclusion in his report on the state of the colony, and I quote: "Problems in Lower Canada are not political or administrative in nature, but are the result of the forced co–existence of two distinct nations in the same state."

In 1905, Sir Wilfrid Laurier, an inveterate Liberal, said and I quote: "Every time I go back to my province, I am sad to see there is a feeling that Canada is not for all Canadians. We must come to the conclusion that Quebec is our only homeland."

In 1965, the Laurendeau–Dunton Commission, whose work Prime Minister Trudeau hastened to wreck, released a preliminary report in which it noted that Canada was going through the most serious crisis in its history. The commission exposed in these terms the misunderstanding on which the Canadian crisis was based and is still based, and I quote: "[—] English people, many of whom were showing good will [—]did not understand [—]the profound leanings of so many Quebecers towards an increased autonomy and their growing belief that Quebec would become a distinct nation ruling its economic and social institutions."

Because English Canada still does not understand Quebec, the constitutional future is doomed and we will never be recognized as a people. According to the Laurendeau–Dunton Commission, an essential requirement for Canada's survival is a real association that can only exist between equal partners.

In fact, this motion is totally in line with what Manitoba Premier Gary Filmon told the *Toronto Star* on April 27, and I quote:

[*English*]

"Quebec has to make its decision based on what I believe is the greatest country in the world and not look for us to change our country in order to make it more acceptable for them".

[*Translation*]

In fact, the Premier of Manitoba is telling us to either take Canada as it is or leave. That is why the Bloc Quebecois is fundamentally opposed to the motion before us today, and our voting against it will surprise no one in Quebec. Quebec is no longer content with crumbs. Quebecers have risen, they are standing up with their heads held high. They are asserting themselves as a people who want to be recognized as such and they want to negotiate as equals.

In the wake of the Meech failure, Robert Bourassa said, and I quote: "Quebec is, today and forever, a distinct society that is free and capable of controlling its own destiny and development".

• (1635)

At his party's March 1991 convention, he convinced his colleagues to adopt the Allaire resolution, which read as follows: "The failure of the Meech Lake accord is a historic event. This failure has made it imperative for Canada to change. Above all, the Meech Lake accord failure occurred at a time in history when Quebec society has reached a level of maturity, openness and development allowing it to feel fully in control of its future. Undoubtedly, Quebec now has the means and resources needed to exercise its choices".

Quebecers know that the Prime Minister's proposal is empty. Today, they understand that the Prime Minister is incapable of quoting a single Quebec author. His references are strictly Canadian. Quebec will accept nothing less than to be recognized as a people with all the powers that this entails.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, the hon. members of the Bloc Quebecois are once more forgetting that the people of Quebec have reaffirmed their sense of belonging to this country.

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt, but the table advises me that there will be no questions and comments since we are debating a special motion. The hon. member for Richmond—Wolfe will be sharing the member's speaking time.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Madam Speaker, I welcome this opportunity to speak today on the Prime Minister's motion to outline Quebec's traditional demands and show that this motion of the Liberal Party of Canada is nothing more than a charade to water down the aspirations of the people of Quebec.

My remarks will be broken down into three parts, covering the last three decades. What happened during each of these three decades?

Thirty years ago, during the quiet revolution, a clear movement in favour of Quebec becoming a sovereign state and assuming sole responsibility over its social and economic policies developed in Quebec. This prompted the Quebec government to undertake discussions on the patriation of the Constitution, that is to say on a new division of powers and on an amending formula that would be acceptable to Quebec.

In 1964, the Fulton–Favreau formula restricted the federal government's capability to act unilaterally, by requiring a majority of two thirds of the provinces to make substantive changes to federal institutions. This gave rise to widespread protest in Quebec.

In fact, the Fulton–Favreau formula was putting off negotiations on the substantive issue, namely the division of powers, to deal only with the technical aspect of the matter: the patriation of the Constitution.

The Quebec government then specified that any agreement concerning the patriation of the Constitution would be subject to a positive and satisfactory redistribution of powers. From then on, this will become a traditional demand. A new Constitution was to give the Government of Quebec the broadest powers possible on the basis of affirming the two–nation status of Canada in the country's social, political and economic structures.

But Pierre Trudeau and the Liberal Party of Canada did not agree. Trudeau objected to policies based on Quebec as a nation. As part of the patriation process, they were intent on doing away with the Quebec rhetoric based on the concept of collective rights and with the fact that the French Canadian nation was becoming identified with the Quebec government.

At this stage of the negotiations to patriate the Canadian Constitution, the political thinking of Prime Minister Pierre Trudeau is clear: Canadian federalism cannot, without jeopardizing its integrity, tolerate any constitutional asymmetry in the distribution and use of legislative powers.

Moreover, in Mr. Trudeau's mind, there are essentially only citizens and their individual freedoms vis–à–vis the state. Consequently, the Quebec society must blend with the rest of Canada.

• (1640)

The Victoria charter marks the beginning of a second decade of negotiations and discussions to patriate the Constitution. The charter recognizes Quebec's jurisdiction over social policies, but seeks to impose national standards. In a letter to the Prime Minister, in which he states his refusal to accept the Victoria charter, then Quebec premier Robert Bourassa writes: "Canadian federalism must be decentralized to reflect the diversity of the regions, and to allow the Quebec government to preserve the cultural future of its majority".

In March 1976, Pierre Trudeau, who was still Prime Minister, writes in a letter addressed to all provincial premiers that if there is no unanimity, the federal government will have no choice but to decide whether or not to recommend to Parliament the patriation of the 1867 Constitutional Act.

The third decade of discussions and negotiations on the patriation of the BNA Act starts with the failure of the Quebec government to obtain a mandate to negotiate sovereignty–association with the rest of Canada, a concept which implies the national recognition of Quebecers, as well as a major redistribu-

tion of constitutional powers, in favour of Quebec. As early as 1981, and in spite of having been re–elected, the Parti Quebecois finds itself in an extremely vulnerable position vis–à–vis the federal government. A scathing answer came from the Liberal Party then in power in Ottawa. The Canadian Prime Minister took advantage of Quebec's vulnerability and proceeded with unilateral patriation of the Constitution.

On December 1, 1981, Quebec's legislature adopted a resolution opposing unilateral patriation of the Constitution. Thus, Quebec reaffirmed its will to entrench in the new Constitution the fundamental equality of the two founding peoples and as a natural consequence of its distinct society status, its extended and exclusive jurisdictions.

The "Canada Act", or the Constitution Act of 1982, was the temporary conclusion of a process which had been going on for over 20 years. The charter of rights and freedoms, enshrined in the new Constitution, is the very basis of the principle of a Canadian nation. It gives the central power unprecedented political influence, an unparalleled power of centralization.

We all know what happened next: the day Pierre Trudeau decided to unilaterally patriate the Constitution, the Liberal Party of Canada lost Quebec; since the 1984 election, it never could obtain more than a third of Quebecer's votes. From then on, it spoke mainly for Canada. The Conservative Party came to power in Ottawa and undertook to have the newly patriated Constitution signed by Quebec. More consultations were held between the premiers, which led to the Meech Lake accord in June 1987. A strong basis for negotiation was then laid out between Canada and Quebec since that accord has forced the courts, from the Supreme Court on down, to interpret the whole Constitution, including the charter of rights and freedoms, in light of the traditional claims of Quebec.

Once again, however, the Liberal Party of Canada was not prepared to accept that and did everything in its power to scuttle the 1987 accord. The current Prime Minister and leader of the Liberal Party made every effort, with the assistance of the hon. member for Sherbrooke, to water down the recognition of the distinct nature of Quebec. In English Canada, where the Meech Lake accord gave rise to much opposition, his voice was heard as being extremely effective in ruining any political basis needed for the accord to succeed.

The current Prime Minister and leader of the Liberal Party then reiterated his party's position: Canadian federalism cannot accept constitutional asymmetry without being substantially weakened, Quebec cannot be regarded as a nation and only individual rights are recognized by the charter of rights and freedoms, which is the only instrument for interpreting the Constitution and the status of the Quebec state.

• (1645)

Last week in the House, the leader of the Bloc Quebecois described the rapprochement that was made in the late 80s between the Conservative Party and the Liberal Party of Canada, a rapprochement which led to the Charest report, where the interpretative clause granted to Quebec in view of its distinct nature, as a state representing a nation, was formally denied.

The beginning of the third decade of talks and negotiations about the status of the province of Quebec in the Canadian Confederation, pursuant to a Constitution which Quebec never agreed on, is marked again by a toughening of Quebec's position. Since it obviously could not expect anything from English Canada, the Quebec government, largely supported by the voters, now favoured a clearly sovereignist option, as shown, first, by the emergence of the Bloc Quebecois and the mass election of its members in Ottawa; second, by the almost total disappearance of the Conservative Party; third, by the failure of the Charlottetown accord; and lastly, by the election of the Parti Quebecois in Quebec.

From then on Quebec would no longer get involved in endless and useless rounds of negotiations. The results of the second referendum on the sovereignty issue held in the province of Quebec occurred half–way through this third decade, recognizing the dazzling progress made by the sovereignty option in Quebec since the failure of Meech. Quebec is now heading towards its political sovereignty and nothing can make it go backwards. Certainly not this silly resolution which the Prime Minister of Canada introduced last week to urge the House of Commons to recognize Quebec as a distinct society. This is only a token recognition.

This very day, in the House of Commons, during question period, the Prime Minister himself denied the existence of a Quebec culture although his own resolution aims at recognizing it. He stated that there is only one culture in Canada, and that is the Canadian culture. We will vote against this resolution, which is as hypocritical as it can get.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Madam Speaker, I am pleased to address the members of the House of Commons in the debate on the motion to recognize Quebec as a distinct society within Canada. In order to properly understand the true scope of what the Government of Canada is doing by proposing this resolution, it must be interpreted in the light of the October 30 vote.

Quebecers had two very clear things to tell us: they want to be recognized within Canada for what they are: a people with a French–speaking majority and a different and distinct culture. They also want to see profound changes made to the way the Canadian federation operates.

Of course, our government needs to respond to economic imperatives and to the necessity of ensuring the continuation of our social programs, and this requires new partnerships with the provinces. We must, however, also acknowledge the reality of Quebec's malaise, a malaise directly linked to the wounds of the past, the most severe of these being the failure of the Meech Lake Accord.

The Leader of the Opposition, in his reply to the Prime Minister's speech, has given us his version of the recent history of our country and the path it took through the constitutional to–ing and fro–ing. Allow me then to give you my version, that of a Quebecer with a totally different perspective. I was there when the Meech Lake Accord failed.

• (1650)

Unlike the Parti Québecois and a number of the Bloc members who voted against Meech, what I wanted, along with most of my fellow citizens, was for there to be recognition that Quebec is distinct, different, and it was my impression at the time that this country did not accept me for who and what I was.

[*English*]

However, I understood that it was not the country that was refusing to recognize me. It was not my fellow citizens who were not willing to recognize me. It was rather the very process of constitutional negotiations and of agreement ratification that led us to this dead end. This is why I wondered, is it necessary to break up my country just because we have difficulty agreeing on the process to be used?

The answer is clear to me. I believe it is possible to pursue the discussion and continue to build this prosperous country in an atmosphere of respect and generosity.

[*Translation*]

Like the majority of Quebecers, it is my firm belief that it is possible for us to reconcile two realities: our identity as Quebecers, of which we are extremely proud, and our identity as part of Canada.

I have always believed that these two realities are in no way mutually exclusive and that they do not in any way justify the destruction of a country built up by the generations before us with such effort and determination. That is what I defended then as a member of the Liberal government in Quebec, and that is what I defend now as a member of this Liberal government in Ottawa.

During the referendum campaign, the Prime Minister of Canada made commitments he is meeting today by recognizing that Quebec is a distinct society. To do so is to recognize history, our common history. To do so is to remember the origins of the Canada of 1867 which opted for a federal system designed to reconcile Quebec's right to be a distinct and provincial autonomy with the need to work together to build this vast country of ours that is Canada.

In a speech to the Quebec Legislative Assembly on November 24, 1871, Sir Wilfrid Laurier said, and I quote: "It is a historical fact that the federal system was adopted only to maintain the exceptional and unique position of the province of Quebec on the American continent".

Do not get me wrong. I am simply stressing that unlike those who believe that separation is the only way for Quebec to take its place within Canada, I am convinced we can deal with this matter in a different way, without breaking up the country.

The Leader of the Opposition may argue that distinct society is no longer an issue in Quebec but the fact remains that Quebecers earnestly want their distinctiveness to be recognized. This government understands that. Of course, some people would have preferred to see this recognition immediately entrenched in the Constitution, because the logical corollary of this recognition is its inclusion in the basic law of our country.

We would have preferred to do so now. However, the PQ government and the leader of the Bloc Quebecois have already closed the door on any discussion. Nevertheless, by rejecting the proposal for Quebec's separation on October 30, Quebecers clearly gave their provincial government a mandate to work together with the Canadian government to find practical solutions and help Quebec develop its potential within the Canadian federation.

• (1655)

The government of Canada understood the message and presented, in an initial gesture of openness, the motion we are debating today in the House of Commons. We have met our commitment. The ball is now in the court of the Parti Quebecois and the Bloc Quebecois. By their stubborn refusal to consider any options for change, they are saying no to Quebecers. Make no mistake: whether the option selected to describe distinct society is Meech 1, Meech 2, Meech 3, Charlottetown 1, Charlottetown 2 or Charlottetown 3, the response of the leader of the Bloc Quebecois was very clear: "I am a sovereigntist and I will never sign an agreement with the Canadian government".

The Leader of the Opposition often says Quebecers look to the past to justify their choice. I say to him today that Quebecers will also remember that the Bloc Quebecois and its leader refused to vote for the recognition of Quebec as a distinct society in this House.

To recognize Quebec as a distinct society within Canada is a step in the right direction, as our federalist partners from Quebec acknowledged. It will provide the foundation for new, constructive relations with all our fellow Canadians. For once, the Parliament of Canada will be united. And when we have

passed this motion, Parliament will have to consider the distinct identity of Quebec. For the first time, elected representatives of all Canadians will make a solemn and meaningful gesture towards the people of Quebec. As a Quebecer, I am proud to be part of a government that recognizes the distinct identity of the people of Quebec, and I am proud to be a member of this government which will continue to work towards including this recognition of the Canadian Constitution.

Because the interests of Quebec and the interests of Canada as a whole are involved, I will vote in favour of this motion.

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I am pleased to take part in this historic debate on the Prime Minister's motion to recognize Quebec as a distinct society by its language, its culture and its civil law tradition.

The motion we are now debating is one of three initiatives for change announced by the Prime Minister last week and which act on the commitments made during the referendum campaign in Quebec. In addition to recognizing Quebec as a distinct society within Canada, the federal government will henceforth grant a regional veto on all constitutional changes and pull out of manpower training.

These initiatives result from promises that the Prime Minister made to his fellow Quebecers during the referendum campaign, and particularly the great Montreal rally which brought together more than 150,000 people, including 500 from my riding of Simcoe–North and the neighbouring riding.

It is important to note that these initiatives are not the only measures the government has taken in response to Quebec's referendum, but they surely are an important step. Moreover, they are further proof that when the Prime Minister makes a promise to Canadians, he keeps his word.

During the referendum campaign, everybody was talking about the need for change, everybody said that, in the future, things should be done differently if our country were to remain united. However, I have the impression that the change the vast majority of politicians were referring to did not reflect what Quebecers want.

• (1700)

Indeed, when I was going from door to door during the referendum campaign, time and time again people told me that they wanted jobs, economic stability, a better future for their children, a good social climate, and so on. I can assure the House that the numerous Quebecers I met attach little importance to constitutional changes and to the squabbles that go with it.

In this regard, Quebecers are not very different from all other citizens of Canada. People from my riding of Simcoe—North express the same concerns. That is why I say that the commitment to change to which we should give a lot of importance is the one the Canadian people, including Quebecers, want. This is why I am proud to be part of a government which, for two years now, has been tackling the real problems of the Canadian people, which are job creation and economic growth.

That being said, the proposals put forward by the Prime Minister are not without sound basis and legitimacy. The motion on distinct society is important because it recognizes an obvious historic fact and reassures Quebecers as to their place in our country. In fact, the concept of distinct society is not new, neither historically, nor constitutionally.

[*English*]

According to Professor Ramsay Cook, francophones in British North America and Canada developed early on a consciousness of their distinctiveness, both individually and collectively. The most obvious badge of that distinctiveness was language, while the civil code provided a legal foundation for difference.

The idea of distinctiveness is even recognized implicitly in the British North America Act of 1867. The mere fact of creating the province of Quebec was the beginning of acknowledging a distinct society within Canada. There are also explicit recognitions of this fact in the Constitution. For example, section 94 recognizes the civil law of Quebec as distinct. Section 133 made Quebec, alone among the original provinces, bilingual, and by doing so made French for the first time an official language of Canada.

The motion put forth by the Prime Minister is yet another explicit means to acknowledge Quebec's distinctiveness. Even though the distinct society resolution we are debating is not a constitutional resolution, it is important that it is a solemn commitment that sets out how the federal government, the only government in Canada that speaks for all Canadians, will conduct its affairs. In effect, it will indicate to all citizens and all federal government authorities that it is the will of the House of Commons that the distinct character of Quebec society be recognized once again within the Canadian federation.

I also want to assure all Canadians that the expression distinct society is not exhaustive by any means. Even though the motion simply notes that the distinct society includes some specific elements of Quebec, it does not exclude others. It does not exclude the fact that Quebec is a pluralistic and democratic society, that all its citizens are equal before the law, the Canadian Charter of Rights and Freedoms, or the Canadian Constitution.

This motion and the other measures announced by the Prime Minister are a significant first step in delivering on the promises he made during the referendum campaign. They are also an important bridge to the first ministers conference on the amending formula that is scheduled to take place in April 1997. Once these negotiations start we will have benefited from the

practical application of the distinct society motion and the veto bill.

The Prime Minister made it quite clear that these measures can some day be entrenched in the Constitution if it is the desire of the province of Quebec and other provinces to do so. However, the Government of Quebec has stated categorically that it does not want to participate in any constitutional discussions. Until this unreasonable position of the Parti Quebecois government changes, we will not be able to incorporate these measures into the Constitution.

• (1705)

[*Translation*]

I am convinced that the vast majority of Quebecers will view these initiatives in a favourable light. They will see that the Prime Minister is serious about making the changes they want.

Obviously, members of the Bloc Quebecois and of the Parti Quebecois will oppose these changes. The reason is simple: they are separatists. They have no intention of improving Confederation. Their only goal is to destroy Canada. As Jacques Parizeau said during the referendum campaign: "We do not want a distinct society, we want a country."

In spite of the intransigence of the Bloc Quebecois and of the Parti Quebecois, we will not let them prevent the adoption of these changes that are not of a constitutional nature, changes that the people of Quebec and the rest of Canada want.

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, I will be splitting my time with my colleague, the member for Simcoe Centre.

I am pleased and I am also saddened to rise today and speak to government Motion No. 26, which seeks to recognize Quebec as a distinct society. It also gives me great pleasure to stand before my colleagues in the House today as a loyal Canadian and state why I am opposed to this motion.

Speaking here today, I hope to make clear my opposition to this motion from a historical, legal, and personal point of view. Along with Bill C–110, this motion constitutes the other half of the Liberal initiative to appease Quebec separatists in the wake of the disastrous handling of the October 30 referendum by the Liberal government. From a historical perspective, I must again note the saying, which has often been quoted in the House, that those who do not learn from the mistakes of the past are destined to repeat them. It would appear that history is not a subject the framers of this motion are even remotely acquainted with.

For the benefit of those Liberal members who were not present in the Chamber last week for the debate on Bill C–110, I will say it again. If this motion were some grade B horror movie it would be dubbed "Son of Meech". This motion, or is it a rerun of a motion picture, is a doomed rehash of the Meech and Charlottetown packages which were ultimately rejected by Canadians. If they could be given a say on this motion it would be rejected outright as well.

I was not present during the Meech and Charlottetown debates, so I have waited several years to speak on this issue, but my remarks are as relevant now as they would have been in 1987 or 1992. This is when attempts similar to the one before us were made by the former Tory government.

Yes, Madam Speaker, and members on both sides of the House, "je me souviens". I remember the failures of those initiatives, even though the members across the way clearly do not. I also remember that a former prime minister and a government bloated with arrogance yet painfully thin on solution proposed essentially the same thing. I also remember what became of that government just one year later.

It is because people remember and have learned from history that I say confidently that this motion is unacceptable to Canadians.

From a legal point of view, this motion raises more questions than it answers. That would not necessarily be such a problem except that the Prime Minister will not answer any questions in regard to the meaning of that phrase distinct society. What does that mean?

• (1710)

This lack of openness by the Prime Minister only adds to the confusion. For example, does the motion confer additional powers on Quebec or not? If, as I suspect, it does or will with the passage of time give powers to Quebec that are not given to the other provinces, then clearly it must be opposed.

Also, is this motion the precursor for an attempt by the Prime Minister to entrench the notion of distinct society in the Constitution? If it is, as I suspect is the case, and the Prime Minister wishes to do so at the scheduled review of the Constitution in 1997, should Canadians not know this now? Let us have the government be forthright.

By extension, any entrenchment of distinct society as an interpretive clause in the Constitution will be unacceptable to Canadians for the same reasons it was back in 1992. Also, does the notion of distinct society in any way detract from the principle that all Canadians are equal? Here again the government will give us nothing but vagaries.

By way of personal remarks I would like to share with members on both sides of the House the contents of a very insightful letter I recently received. The letter is from François Labrecque, a longtime resident of Quebec. I had the honour of meeting him while I was in Quebec City recently, and he wrote to me with his thoughts on this distinct society issue. He writes quite intuitively: "I am not sure the concept of distinct society should be presented as is. Instead of thinking of powers and rights with regard to distinct society, we should think in terms of responsibilities of individuals, groups, responsibilities of the people themselves and of their provinces to ensure that the distinct character is preserved".

He concludes in part that the Liberal Party approach is to provide distinct society status for Quebec and nothing for the other regions and provinces, which provokes negative sentiment in the rest of Canada and is clearly a divisive element.

This is a Quebecer I am quoting, who clearly understands the shortcomings of any distinct society proposal. Reformers would agree with his position.

For the benefit of those Liberal members who require further insight, no Canadian doubts that the language and culture of Quebec make it distinct. The language is dynamic, the culture is vibrant. These two characteristics alone will ensure its survival. That is why attempts to legalize or enshrine the concept in the Constitution are so insulting and offensive to many Quebecois.

The Liberals are asking Quebecers to adopt some siege mentality that claims their language and culture is weak and dying. Fortunately, Quebecers themselves know the exact opposite to be true and realize that assuming responsibilities in key areas will allow Quebec's distinctiveness to be maintained.

From a personal point of view, I watched as the Prime Minister tabled this motion in the House last week on November 27. At the time I could not help but feel that my birthright as a Canadian was being sold for the sake of a deal. I cannot understand how a government that professes to be so dedicated to the concept of equality can advocate something that so detracts from this principle. Then again after seeing Bill C–64, the government's racial quota bill, I should not really be all that surprised.

• (1715)

I ask members of the House to contemplate the concept of equality as they consider the consequences the motion will have on the equality rights of all Canadians.

I cannot support the government's motion to recognize Quebec as a distinct society. There is no safeguard to ensure that the motion will not be used to further the goal of Quebec nationalists. There is no assurance the motion will not be used to confer additional powers on the legislature of Quebec. It offers no guarantee that individual rights will not be made subservient to collective rights. It affords no protection to the minority population of the province.

The leader of the Reform Party has put forward an amendment that would address many of the concerns I have raised. It is my hope that when it is put to a vote members opposite will support it. To do otherwise and to adopt the government's motion as is would be to characterize some Canadians as distinct and some as second class citizens.

Unless the amended motion is adopted by the House I serve notice of my intent to vote against the motion as put forward by the government.

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, it is a pleasure to speak against the motion to recognize Quebec as a distinct society. We are talking about a promise or a commitment and I will talk about some promises and commitments that have been made.

I will start with a promise that was made in the eleventh hour. It is a reluctant promise. It is a promise that was made in panic and desperation. It is a promise that had to be made because the government was out of touch with the people of Quebec. It is a promise that was made with no reflection on the past or no vision of the future. It is a promise that is out of touch with Canadians as a whole. As a matter of fact 55 per cent of Canadians outside Quebec oppose the recognition of a distinct society.

We are trying to bring in a promise the Canadian people already rejected at the front door. I am talking about Meech Lake and Charlottetown. The Canadian people had a say and they rejected the concept of a distinct society. Yet here we are trying to bring it in through the back door, top down, with no consultation. The government has imposed closure to push it through. The attitude is that it knows best what the people of Canada want. This is a Quebec promise, not a Canada promise.

In October 1993 there was a cry for change in the country from both inside and outside Quebec. The message I heard in October 1993 was that Canadians were worried. They were concerned. The response of the government since the election has been don't worry, be happy. After two years of blissful ignorance and a do nothing approach we almost lost the country on Monday night, October 30.

It is interesting that during the referendum the separatists had 30 days to spread their unchallenged version. The destroyers of Canada were given 30 days to get their message out. The government brings in closure so that we who want to speak for Canada, to get the Canada agenda out, are given 30 hours. We have 30 hours to debate what is probably one of the most significant motions before the House in the two years we have been here.

So much for open government. So much for government responding to the voters. We should not be surprised. This is the government that actually had to appoint candidates because it did not have confidence in the Canadian voters to select the right candidates. This is the government that shows its so–called true concern for the democratic process. This is the government that has shown its arrogance time and time again in the two years we have been here, with the rebuke of government members who stood to speak against gun control.

• (1720)

We were dealing with a promise of desperation. Let us now deal with some promises or commitments that have been made to the Canadian people. What about the promise of jobs, jobs, jobs? Two years ago we heard about jobs, jobs, jobs, and today we have an unemployment rate of 9.4 per cent. In the month of November, 44,000 jobs were lost in Canada. Where are those jobs? What happened to the much heralded infrastructure program that was to kickstart the economy and create jobs? It was another failure. All it did was put us $6 billion deeper in debt with no jobs. Now we have a cabinet committee looking at the job creation problem.

It is also interesting that the only jobs we have right now are because of free trade. This is a government that opposed free trade, but it is a pleasure to stand today and recognize the jobs that free trade created.

What about the promises of dealing with the deficit? Nothing has been done in two years in spite of warnings from Moody's and the IMF. Government members were shooting the messenger when Moody's warned the finance minister that he was not going far enough in dealing with the deficit. We have since learned that the IMF has issued the same warning to the government, that it has not been serious in attacking the deficit and that Canada is in great jeopardy.

What about tax relief? Smokers are the only ones I know that received any tax relief from the government because it gave in to the smugglers. Canadians as a whole have not had any tax relief. Canadians who drive cars are paying additional taxes which they can ill afford, although there was a commitment to tax relief.

The statement in the red book on criminal justice was that fighting crime and violence required tough measures. We have not seen tough measures. Tough measures are lacking. We still have section 745 of the Criminal Code that allows those convicted of first degree murder back on the streets after 15 years and we still have no victims' rights.

The government has not addressed the issue of political reform. We all experienced the level of cynicism and mistrust out there between the voters and the politicians. It still has not addressed the problem. It has done nothing about recall. As a matter of fact a private member's bill on recall was defeated in the House. The government does not believe in referenda, in letting Canadians have a say on major issues that affect their lives.

The GST was to be replaced. In two years it has done nothing about the GST. The Deputy Prime Minister was to resign if the issue was not dealt with in two years. The last time I looked she was still in the House of Commons.

I am highlighting these promises because they were made to all Canadians. If these promises had been kept, they would have gone a long way to addressing the unity crisis we face in the country. The people of Quebec are just as concerned as the people of Ontario and the people of B.C. about the fact that we have a government that is not getting its spending under control, that is not dealing with the criminal justice system, that does not respond to victims and that is not responding to elected politicians who represent the people in their ridings.

We could see the people of Quebec during the referendum looking at Ottawa and asking: "Could it be any worse if we went on our own?" They were looking at a federal government that is failing to deal with the major problems of the country. It is conceivable some of them could very well have said to themselves: "Why not leave? What we are looking at in Ottawa is a situation that is taking us deeper and deeper into debt. There is no indication they have learned from the past and will do anything about it".

It is evident we have not learned anything from the past. I recall the *b* and *b* commission that originated back in 1965. It was to deal with the greatest crisis in the country. I supported that in 1965 because I thought it would address the unity problems we were having and would bring the country together.

After 30 years it has been an utter and complete failure. All the government has to do now is look across the aisle and staring it in the face are 53 members of Parliament elected from Quebec to tear the country apart, living testimonial to the failed policies of the past, the status quo.

There is no question we must change. That was the message in October 1993. I am proud to say Reformers put forward 20 positive proposals for change that had strong support both inside and outside Quebec.

• (1725)

The 20 proposals for change did not require opening up the Constitution. They could have been done by a willing government. We saw it as a win–win situation. It was to go a long way to keeping our country united. It was to go a long way to addressing our overspending because many of the changes dealt with a realignment of powers, decentralization, eliminating duplication and bringing governments closer to the people they were serving.

We also missed the message in the Spicer commission report. The Spicer commission criss–crossed Canada and spoke to over 400,000 Canadians, 300,000 elementary and secondary school students. In the report there was strong support for equality of provinces and of people. There was also strong support for the recognition of Quebec's differences, but there was little support for two–tier citizenship. That is what the bill is dealing with.

During our break in November I held a series of town hall meetings across my riding. I wanted to get the feel of the people about the situation we would be dealing with, the possibility of another referendum or the possibility of recognizing Quebec as a distinct society.

I supplied the people at the meetings with a questionnaire. At the end of the meeting I asked them to answer this question: Would you support distinct society status for the province of Quebec if it meant granting special powers not available to the other provinces? Ninety–eight per cent of those who responded to the questionnaire said no to any special status in recognizing the province of Quebec.

It is time the government stood up to the separatists and called their bluff. It is time to stand up for Canada and speak for Canada as a whole.

This country is a great country. It can only continue to be a great country if it is based on equal provinces and equal citizens. I call on all members of the government to oppose recognition of one province. Otherwise they are destroying our great country, the country our children and grandchildren are looking forward to.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to call it 5.30 p.m. and proceed to Private Members' Business?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mrs. Maheu): 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

[*Translation*]

POLITICAL PARTY FUNDRAISING

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): moves:

That, in the opinion of this House, the government should consider the advisability of reviewing and reforming funding for political parties.

He said: Madam Speaker, the present system of financial contributions to political parties contains deficiencies that must be dealt with. All too often, we hear people say that large companies run the country and that they are the ones who can benefit the most from their financial support for political parties. This is a commonly held view.

As we know, such a notion is very harmful to democracy and that is why I believe it is necessary to consider possible changes.

According to data obtained for the four last years, including the election campaign of 1993, the existing system costs the state some 30 millions dollars annually. Of course, I have all this information at hand.

Since taxpayers have to pay for the system one way or another, we propose the following solution: the state should contribute one dollar for every individual. This way, democracy would be better served.

This solution has many advantages. I will give you a few examples. Such a system would be the most democratic form of funding for political parties. Of course, every one would be equal. Members of Parliament would no longer have to collect funds for general elections. As we all know, this requires a lot of time and effort, and political parties themselves have to spend money to organize public fundraising.

The cost to the state would actually be lower, because the figures I quoted were very conservative. I have indeed demonstrated that the government would pay less in such a system.

This will put to rest the public perception that this is a slush fund, because it is not good for the public to believe such a thing. Politicians or parliamentarians would not owe anyone anything.

Time has come to review the system to ensure the proper functioning of democracy, so that we can, once and for all, be free to do our job without having our hands tied.

[*English*]

The democratic principle demands that every citizen be accorded complete equality by the process which selects the people's representatives. Canada's present electoral system violates this principle in a fundamental way, for it is privately financed.

When private interests are involved in party financing the political process deteriorates into a mere approximation of democracy. The participation of corporations, unions and private individuals in the political process obviously is inevitable and indispensable in many ways but should in no way include the financing of political parties.

In my view the repair of this structural failure is of paramount importance. Any country which claims serious adherence to democratic ideals should publicly finance its political parties by a mechanism which directly relates their financial support to their political support.

After looking at this present system and then at individual financing options I present an inexpensive and flexible public financing mechanism. Here are at least three objectives. The

present financing of political parties makes a mockery of the cornerstone of our democracy that every citizen should be accorded complete equality by the process which selects the people's representatives. It allows private organizations which have no right to vote at all to indirectly cast hundreds of ballots by financial support to a particular political party.

It restricts flexibility on policy issues since political parties must give greater consideration to the largest supporters. This is incompatible with the concept of a truly representative democracy. Political parties should be solely responsible to their members and obviously to the public.

Shareholders of corporations and members of unions do not necessarily support donations made on their behalf. Party financing by private organizations is a clear distortion of the democratic process. However, in a free and democratic society private individuals should have the right to contribute their own personal funds to the party of their choice.

That sounds logical. Nevertheless there are at least three fundamental objections to this option. It would require political parties to spend a greatly increased and inordinate amount of their time in fundraising. This is an inappropriate role for the people's representatives and also is inefficient.

The proper function of a political party is to structure policy, not fundraising. It does not address the primary inequity. Any privately financed democracy, whether financed by private organizations or by private individuals, will have its fundamentally democratic factor distorted. This situation is abnormal and unacceptable in our system. It simply cannot be protected from abuse.

In the United States it is common practice for every member of a corporation's top management to simultaneously contribute to a party or candidate the maximum donation allowed by an individual, thereby in effect making a corporate donation.

• (1735)

The argument for individual financing is an incorrect generalization of the principle that in a free and democratic society each individual should have the right to support the party of his or her choice. This right is inalienable but should not extend to the use of personal wealth. The right to support the party of our choice includes the right to vote for the party of our choice and to work for the party of our choice. However, merely signing a cheque seems too easy and unfair to those who do not have any great amount of money to contribute.

The mechanism is very simple. I will outline a simple, flexible and inexpensive democratic public financing mechanism that will certainly make the system much more fair and equitable.

We would eliminate all private financing of political parties; establish a party financing fund by an annual allocation of $1 per voter from general revenues; distribute a portion of the fund among the registered political parties proportional to popular vote; distribute the other portion of the fund among the registered political parties in existence.

The cost is negligible. One dollar per voter per year is a small amount for the support of a democratic election. Furthermore, the annual cost to the treasury would actually be less than what it is today, less than the $30 million that it costs. The method of the distribution is flexible and democratic.

The distribution of the first part of the fund by proportional vote directly ties financial support to political support, ensuring that parties with greater political support receive greater financial support.

The distribution of the second part of the fund equally provides a counterbalance that moderates the effect of large majorities, ensuring that parties with less support receive sufficient funds to effectively communicate the policies to the citizenry.

[*Translation*]

In closing, some obvious conclusions come to mind. Public funding is the only truly democratic way of financing political parties. At present, political party funding is a mix of personal tax credits, corporate tax deductions and contributions made by the government to each candidate who gets at least 15 per cent of the vote in an election.

Public financing will force political parties to account for the use made of their funds. Political party funding will spare the political parties the need to raise funds, which is very time and energy consuming. This way, political parties can devote their time to developing policies. Finally, it will greatly improve the way the public perceives politicians, political parties and politics.

This is basically what I had to say about the need to make changes in our political system with respect to funding of political parties. If any other member wishes to comment on this, I will welcome their comments, and if they have questions to put to me, I will gladly answer them.

Mr. Louis Plamondon (Richelieu, BQ): Madam Speaker, I am pleased to rise today to speak to the hon. member's motion. At the same time, I regret having to do so because if this hon. member of the government feels the need to table such a motion, it is because his own government has failed to honour its red book commitments, the commitments it made in the last election campaign.

There is no cause for alarm, however. If the hon. member looks carefully at the government's record of the past two years,

he will see that it has broken all its commitments, whether they have to do with social programs, defence policy or the red book.

• (1740)

The fact that a Liberal backbencher has to remind his own government that it had promised to thoroughly review political party funding shows how lightly this government takes its election commitments.

In the matter under consideration, the red book promises to restore voters' confidence, promote integrity in political institutions, and limit conflicts of interest and influence peddling through an in–depth review of political party funding.

This wish is reflected in the motion. Except that, in March 1994, I launched a debate that made it to third reading, a private member's motion saying that political parties ought to be funded by the public, that they should only be funded by people who have the right to vote, which would exclude institutions, corporations, unions, non–profit and for–profit associations.

Although this would be a guarantee of democracy and openness, the vast majority of the hon. member's fellow Liberals voted against it, because their party is no different from the one it replaced. As they say in Quebec, they must look after their buddies after the election. They must return the favour to the big engineering and architectural firms, to the big banking institutions for funding them and helping them get elected.

In this respect as in many others, the government has refused to honour its commitments by enacting bills or amending existing legislation.

The motion before us is nothing but wishful thinking. What is wishful thinking? Decisions that have not been implemented in practice. The hon. member's motion is nothing but wishful thinking. He knows full well that his government is not interested in changing the system, because, like the Conservative government, it is financed to a very large extent by multinationals and private interests.

His motion should have proposed a concrete measure, instead of saying "the government should consider the advisability of reviewing and reforming funding for political parties". It should have said: "We will change this or that to the funding of political parties, for example by authorizing public financing, that is by allowing contributions only from those who have the right to vote. That would have been a concrete measure, instead of merely expressing an interest to reconsider the existing system. The member acts exactly like the Conservative government did when it tried to distance itself from its 1988 election commitment.

At the time, Prime Minister Mulroney pledged, one week before the election, to implement public financing for political parties. I remember seeing a front page article in *La Presse*. But what did he do after that? He set up a committee, the Lortie commission, which cost $20 million and produced a report with recommendations that were taken into consideration neither by the Conservative, nor by the Liberal governments.

If you want the true solution to the problem of political party funding, look at how things are done in Quebec. But let us be honest and recognize that some steps were made in the last 20 years, such as the granting of a tax credit. Twenty years ago, 95 per cent of the financing came from companies. The tax credit currently granted to corporations and to individuals has resulted in a 40 per cent drop in contributions made by corporations. This is a first step. Some provinces also took action to limit interference in the government machinery associated with political contributions. All political parties talk about bringing in reforms, but no one takes concrete action. The Liberal party reminds us of those old parties.

• (1745)

Let us not forget also that putting the funding of political parties in order is in line with the Criminal Code. Section 121 of the Criminal Code clearly states that it is an offence to attempt to obtain a special privilege in return for a financial contribution. A good many departments must be nervous about certain contributions.

Reforming political fundraising is not only in keeping with the Criminal Code, it also reflects the public's desire for openness and transparency. Voters now want the people they elect to Ottawa to know whom they are there to serve. They want their elected representatives there to serve the common good and not the interests of a privileged few. They want the individual who has contributed $20 to be shown as much respect by elected members as the company that contributed $50,000.

They also want funds to be collected according to clearly defined standards and used to serve all, not a privileged few. This is a way to perpetuate our democracy in the face of huge multinationals and rich backers of political parties.

By putting grassroots fundraising at the service of democracy and the political parties, we put the focus on the voter. We also force the parties to come closer to the voters and to care about their needs, since they are the ones who will be providing our funds.

More value will be assigned to membership in a political party. It also develops a feeling of pride in belonging to a political party they help to finance. It also increases the democratic vigour of a society and forces the party to decentralize its decision making. As we come closer to achieving grassroots financing, democracy as it is experienced in Quebec and Canada becomes a great and noble undertaking that starts reflecting the true meaning of democracy and openness.

To conclude, I think the following puts it in a nutshell: tell me by whom you are financed and I will tell you whom you serve. That is more or less what we can learn from this discussion on the motion before the House today.

I also wish to pay tribute to the hon. member who within his own party, had the courage to realize the extent to which his party and the traditional party system are at the beck and call of certain corporations and privileged contributors instead of being there to serve all citizens.

His suggestion that $1 be contributed per voter to the existing parties, a proposal inspired by a professor from New Brunswick, is admirable but would prevent the creation of new political parties. For instance, could the Reform Party or the Bloc Quebecois, two parties that appeared on the political scene at the last election, have been born without this contribution?

My point is that, by helping to maintain existing parties, government financing might prevent other ideas, structures and political groups from developing. So feelings are mixed about this suggestion that raises many concerns.

Nevertheless, I hope that discussing these issues may help the Liberal Party understand that, even within its own ranks, some drastic changes are in order. And they will have to come in the form of grassroots financing of political parties.

[*English*]

Mr. Ted White (North Vancouver, Ref.): Madam Speaker, when I look at Motion No. 367 I could certainly agree in a general sense with the thrust of the motion:

> That, in the opinion of this House, the government should consider the advisability of reviewing and reforming funding for political parties.

•.(1750)

The only problem I have with the wording is it is a little vague. It says "consider the advisability of". It is a pity the member had not worded his motion "that in the opinion of this House the government should review and reform funding for political parties". That would have been a lot clearer and a bit more forceful in its thrust.

I see that the motion is non–votable and it reminds me that this one hour of debate is fairly meaningless. I wish for the hon. member's sake that it could be a votable motion so that at least members could express their opinions on this issue.

I ask for the unanimous consent of the House to make this motion votable.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: No.

Mr. White (North Vancouver): Madam Speaker, this is absolutely amazing. The member's own colleagues are denying him the right to have a votable motion. The member spent some time talking about the importance of democracy in political parties and he cannot even get the consent of his colleagues to allow a vote on that motion in the House. It is certainly a symptom of the way the government runs its affairs.

In a general sense I agree with the motion. I would like to read the Reform Party policy on funding of political parties. The blue book policy which was developed and passed by our members it says: "The Reform Party opposes any assistance to political parties and political lobbies from public funds, including any refund of candidate or party expenses, government advertising during the electoral period, the renting of parliamentary staff for reimbursement, tax credits for contributions to federal political parties and the transfer of tax credits to leadership campaigns, to nomination campaigns or to parties at the provincial or municipal level".

It can be seen that we have a rather comprehensive policy. It stems from the way that we had to build our party.

I heard the hon. member from the Bloc talking about the difficulty of building a new party. We had to build our party from the ground up, from nothing, with not a single cent. I was there almost from the beginning, from late 1987. In fact, one of the people who is now on my executive committee in the riding association was one of the original signatories to the charter of the Reform Party.

We had to raise money by having bake sales, by having garage sales, by walking door to door asking for $10 here and $1 there. It was worth it. It is tremendously fulfilling to be able to build a party that way. If something is not worth working for, it is not worth having.

In that respect I disagree with the member's position that the state should fund parties because it is unfair to people who cannot afford to contribute. If it is not worth working for, it is not worth having.

Even though the Reform Party and even the Bloc started from way behind with tremendous disadvantages, it is tremendously fulfilling to be able to build a party from the ground up.

The hon. member stated that the present system is unfair to people who cannot afford to contribute. No, it is not. People who cannot afford to contribute can work as volunteers and help. Perhaps they can even be fund raisers. I do not think the present system is unfair at all.

Although the hon. member for Gatineau has a formula which he claims would be democratic and fair, when I look at his formula I see that there is a component that would give an equal amount of money to each party but then there is a component that gives some money based on the share of the vote in the previous election. Obviously that is an unfair advantage to the

party that is in power. That is not reflected in a democratic way of the support levels at the time of the next election. That is a major flaw in the approach that has been proposed by the member from Gatineau. All that does is give the government side an advantage so it can spin its propaganda and cover up its lack of interest in the political will of the people between elections.

• (1755)

The government very clearly demonstrates it has no interest in the people's opinions between elections. I do not think it is going to take this member's motion seriously because it is simply not interested in getting the public involved.

It was obvious when members opposite refused to make this motion votable that they were not interested in democracy at all. If they were interested in democracy, they would take notice of people and their opinions on the Young Offenders Act. They have done nothing to make it more effective.

If you ask people anywhere in the country if their streets are safer than they were two years ago when the government was elected, they say no. All the polls indicate that people sense that things are much more dangerous than they were then.

On Indian land claims, the government does not give a darn what B.C. MPs have stated about what is happening in B.C. They simply do not care what the people of B.C. think. We could talk about the employment equity bill and the way that was forced through the House and the lack of democracy in the way the government works.

Frankly, I often tell my constituents that if members came here just once a year for 15 minutes, put all the bills for the year on the table and took one vote, the outcome would be exactly the same. This is a place of parties, rather than—

The Acting Speaker (Mrs. Maheu): Could I ask the hon. member about the relevance of his comments to the private member's bill.

Mr. White (North Vancouver): Madam Speaker, what I am trying to relate it to is the fact that the member opposite wants to institute some sort of democratic support of parties. I am trying to point out that the government side is not interested in anything democratic. Its members will not vote for the motion. They will not allow it to be voted on because they are not interested in democracy. They want to pursue their political agenda, their party agenda.

If Madam Speaker would feel more comfortable with my getting more closely aligned to the motion, I am certainly prepared to do so.

I support the idea that the government should review and reform the funding for political parties, but not along the lines suggested by the member. I would rather see the House get involved in the Reform Party proposal, which is to make the support of political parties depend entirely on the money they can raise from the people they purport to represent.

After all, political parties are nothing more than special interest groups. At the moment, political parties are special interest groups that have a special advantage because the donations they receive are tax deductible with a premium. They are much better than the tax deductibility for any other type of charity or special interest.

The politicians of the past have chosen to give themselves an advantage over everybody else who has to raise money from the public. Members of the Reform Party feel that the political parties should have to raise their money from the people they purport to represent and that the money should not be tax deductible. It should be truly money that is given in support of that party.

As I said earlier, if it is not worth working for something, it is not worth having. It is certainly worth working to build a political party.

Reform also disagrees with the idea that these election rebates go back to candidates and parties. All it does is perpetuate the public paying for special interest groups that they may not have any interest in supporting whatsoever. Clearly this is anti-democratic, not democratic, as the member would like us to believe.

In summing up, I would like to repeat one more time the Reform Party's position on this type of motion. I will read that policy one more time.

The Reform Party opposes any assistance to political parties and political lobbies from public funds, including any refund of candidate or party expenses, government advertising during the electoral period, the renting of parliamentary staff for reimbursement, tax credits for contributions to federal political parties and the transfer of tax credits to leadership campaigns, to nomination campaigns or to parties at the provincial or municipal levels.

• (1800)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I congratulate the hon. member for Gatineau—La Lièvre for bringing this motion before the House for debate. It is a useful topic for debate and I am glad we have this opportunity for discussion.

However, listening to the hon. member for North Vancouver, it was one of the most extraordinary things I have heard in a while. He came out with this policy of the Reform Party which is

another case of do as I say but not as I do policies Reform spouts so often in the House.

We all know that during the last election the members of the Reform Party scooped their hands into the public till. Although they abhor the idea of public financing of elections, they all applied for the rebate they were entitled to get from the federal government. Then their party applied for its 22.5 per cent reimbursement which it is entitled to get from the federal treasury. The members had no reluctance about going after that money to the best of my recollection.

Now they say their policy is they will not take that kind of money. Yet according to the rumours I hear they have fundraisers from time to time. They issue tax receipts for those fundraisers the way other parties do even though they say their policy is they do not do that.

They say that is their policy but they do exactly the opposite. They do as much as any other party does to take advantage of the laws of Canada that give political parties advantage. Frankly, they ought to do that but not if they are saying their policy is different. It is what I would call hypocrisy, but I think it unparliamentary for me to say that a member of the House is hypocritical or a hypocrite. I would not do that. However, the Reform Party policy is very hypocritical on this matter.

Those members use the money in the most unorthodox ways like paying suit allowances of $30,000 a year to their leader so he can be properly dressed while he gives up the publicly paid car.

Mr. White (North Vancouver): Mr. Speaker, I rise on a point of order. I would like to know what this has to do with the motion before the House.

The Acting Speaker (Mr. Kilger): I am sure the hon. parliamentary secretary is getting to the point. We will not have to wait much longer.

Mr. Milliken: Mr. Speaker, indeed we will not because I am talking about electoral financing, which is what the motion concerns. The hon. member may have missed the point since he got on about young offenders and so on. I am trying to address my remarks to the subject matter of the motion which is, after all, electoral financing, but that may have escaped him. His remarks seemed to be all over the place.

The other thing he should know is his colleague and our very good friend, the hon. member for Edmonton Southwest, introduced a bill dealing with electoral financing which is currently being studied by the procedure and House affairs committee which I have the honour to chair. I know the bill is going to come up next Tuesday. It is going back on the agenda for consideration in the committee.

Does this bill abolish public financing of parties? No, it does not. It eliminates funding for parties that get less than a certain percentage of the vote but it will continue it for everybody else. I believe there has been some agreement reached between the hon. member and members of the other parties which improves the situation somewhat. However, I do not know what the final result is and I would not presume to discuss the final details of the bill not knowing them.

I think the hon. member for North Vancouver ought to be aware that the policy of his party which he spouted with such apparent sincerity is being ignored quite blissfully by the hon. member for Edmonton Southwest in the bill he has presented to Parliament and which now he is pressing my committee to report back to the House on so he can pass it.

I hope the hon. member for North Vancouver is here in the House to support his colleague's bill when it comes to a vote. It is a votable item and he will have that privilege. I am looking forward to seeing what he says because here he reads the policy on the one hand and he will get a chance to vote for the policy by voting against his friend's bill. We will see what happens then.

The Liberals on my committee are supporting the bill as are the members of the Bloc Quebecois. They have good sense. The hon. member for North Vancouver would do well to learn from his colleague, the member for Edmonton Southwest, and scrap the ridiculous policy he says his party members have voted in. I find it quite extraordinary. Let me turn to the motion before the House.

• (1805)

The Canada Elections Act provides for the reimbursement of a portion of election expenses incurred by registered political parties. Specifically, a registered party is entitled to a reimbursement of 22.5 per cent of the expenses declared in its return provided it spends at least 10 per cent of the election limit.

Some of us have criticized this because we feel it encourages parties to spend money in order to collect the reimbursement. If they do not spend up to 10 per cent of the expenditure limit they do not get any reimbursement. Therefore they must spend like crazy to get there. It can be a fairly substantial limit, as hon. members know. They then get back 22.5 per cent of their expenses so that once they hit the limit it is basically a 75 cent dollar they have put out.

There is no limit on the amount that can be contributed to a registered political party but there is a limit on the amount that can be spent.

The Royal Commission on Electoral Reform and Party Financing recommended that registered parties receive at least 1 per cent of the votes cast in an election before they are entitled to any reimbursement and then receive 60 cents per vote received for a maximum of 50 per cent of election expenses. They could not get more than 50 per cent of their expenses back under this system.

In the last Parliament we had a special committee on electoral reform which considered the matter but did not agree with the Lortie recommendation. I was a member of that committee. I believe I am the only one left in the House. The others have moved on to other things.

We reviewed the report and recommended that the 10 per cent expenditure requirement be applied to a party's direct election expenses and that the rate of reimbursement be increased to 25 per cent of direct expenses, a very modest change from the present law.

I do not mind saying the reason we could not agree on anything else was that we ran into a stone wall with the Conservative majority, which saw that its electoral chances were failing. Those members realized that if they went to a 60 cent per vote arrangement, as recommended by the Lortie commission, they would get very little money if their vote fell out the bottom, as the polls at that time indicated they would. That is exactly what happened. Had we had that rule in place the Conservative Party would have been worse than bankrupt. It is in trouble now but it would have been much worse; the rule significantly helped it in the last election.

The hon. member for Edmonton Southwest has proposed a bill that would eliminate reimbursement for parties that gain less than 2 per cent of the national vote. He is going to change that because he has received agreement from the other parties to make changes. I do not know what the changes are so I do not want to go on about his bill.

Now we have a proposal from the hon. member for Gatineau—La Lièvre. I am sure the hon. member for Edmonton Southwest, being a generous spirited individual, has looked at other possibilities. I know he has because he has had suggestions made to him in the course of the committee proceedings where he had the advantage of hearing from other members. He said that all makes sense, let us make some more changes. He is making more changes and I commend him for that. I am looking forward to seeing the bill in its possibly final form when it rolls out of the committee possibly next week. If that happens we will all have the benefit of that and perhaps it will make the motion of the hon. member for Gatineau—La Lièvre unnecessary.

However, we are dealing with his motion today. It is not a votable motion despite the efforts of the hon. member for North Vancouver and so we will have to deal with it as it stands. We will have a discussion about it and then go on to something else.

The hon. members opposite, although genuine in their desire for reform, do not agree on how they should go about it. They are making efforts to raise the level of debate by discussing these things and I respect that, particularly by the hon. member for Edmonton Southwest. It looks to me as though he has a speech coming up and I am looking forward to hearing his remarks.

The point is how to solve this problem. I do not know the answer but I do think the Lortie commission report is worth looking at again. The point of it was to ensure parties get reimbursed based on the number of votes they receive. Another possibility is to have a pot such as that suggested by the hon. member for Gatineau—La Lièvre and have a fixed amount of money available in accordance with the limits on election spending and then divide the fixed amount among the parties that participate in the election based on the number of votes they receive.

I believe there is general agreement that no party should get more than 50 per cent of its expenses reimbursed so that it would prevent some party that won more than half of the vote from getting more than half the money available. That strikes me as fair and reasonable.

However, I do not think that is what has been put forward today and we need to look at that kind of proposal in greater detail. We need to look at it with respect to the charter of rights and freedoms because, as we know, there have been challenges to the expenditure limits on parties and on others, third parties in particular not participating in elections.

All those issues will concern the procedure and House affairs committee as it undertakes the review of the Canada Elections Act, which I hope it will be doing soon. No doubt at that time it will consider the very worthwhile proposal put forward by my colleague, the hon. member for Gatineau—La Lièvre.

• (1810)

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, I would, first off, like to pay tribute to the member for Gatineau—La Lièvre for tabling this motion. Although very timid for a party like the Bloc Quebecois, the motion is revolutionary for the Liberal Party of Canada.

For the benefit of those watching us, I will take the liberty of rereading the motion:

> That, in the opinion of this House, the government should consider the advisability of reviewing and reforming funding for political parties.

It is very little. In fact, it is almost lip service. However, when I looked in the May 6, 1994, issue of *Hansard*, I found words, in the context of a similar debate, that were quite surprising coming from a federal Liberal. I will quote some of them.

He said: "I maintain, and I am not the only one, that the way political parties are funded leaves much to be desired". A certain former prime minister currently under investigation is suing the Government of Canada. If we had a good policy on funding political parties in this country, I am sure this sort of situation would not arise.

For over two years now, Mr. Speaker, I have been sitting in your company in this place. The people in my riding claim my salary is high. But, for me to become a millionaire in politics, someone will have to augment my monthly income.

And yet, I know people who have done nothing but politics and who are said to be millionaires tens of times over. They probably know how to manage their pay better than I do.

I would, however, like to quote in passing a few extracts from the speech by my colleague for Gatineau—La Lièvre. I remind you that he went to the right school, my colleague for Gatineau—La Lièvre, because he sat in Quebec's National Assembly. He said:

> No companies, no legal, architectural or engineering firms. We all know the gamut of contributors to party funds. There is no need to elaborate. I do not think that large contributions are made out of love for democracy. We must absolutely look at this issue. I say this as the member for Gatineau—La Lièvre.

The text I have just quoted is on page 4019 of the *House of Commons Debates* for May 6, 1994.

Clearly the member for Gatineau—La Lièvre knows what he is talking about, because I took the liberty of checking with the office of the returning officer to see how the member for Gatineau—La Lièvre financed his electoral campaign in 1993. These figures are official, and anyone can go and check them with Elections Canada. In this member's case, individual contributions totalled $15,168, which represents 55 per cent of his financing, and corporate contributions amounted to $12,311, or 44 per cent.

• (1815)

I also took the liberty of checking in the riding of Saint–Maurice, the Prime Minister's riding. Individual contributions accounted for only 25 per cent, whereas corporate contributions accounted for 33 per cent. One union contributed $5,500, and, obviously, funds were transferred to him from his party, given that he was in their good graces.

Obviously, when we know who is funding the party in power, we can think about their intentions. On October 3, 1994, the Quebec City paper *Le Soleil* ran a headline to the effect that the Liberal and Conservative parties could thank major corporations for funding the political parties. I will give you a few examples. Listen carefully, Mr. Speaker, I think this is worthwhile.

The largest contribution was to the Conservative Party in the amount of $216,000. It was made by a company recorded only as T'ANG Management Limited. Give me one good reason why this company gave $216,000 to the Conservative Party, led by Ms. Campbell. Give me one single reason. The member for Gatineau—La Lièvre said in May 1994 that it certainly was not out of love for democracy.

If it is not out of love for democracy, does it fly in the face of this democracy? In the red book, the party opposite me made the commitment to change the way political parties were funded. Brian Mulroney decided to do the same thing a week before the 1988 elections. He did nothing.

In the Conservative Party, there was a member as courageous as the member for Gatineau—La Lièvre, François Gérin, the former member for Mégantic—Compton—Stanstead. Not only did he advocate that political parties should be funded exclusively by voters, he applied this principle, rejecting any contribution from law, engineering or architectural firms, businesses, large or small, or unions. Unfortunately the member for Gatineau—La Lièvre did not do the same in 1993 since he accepted quite generous contributions from corporations of his riding and elsewhere.

This morning, the Royal Bank of Canada announced net profits of $1.3 billion. Why do banks make that much money? Because they have connections in government. By feeding Grits and Tories alike, they are not taking any chance. They are sure to be on the right side and to have favourable laws. For instance, the Royal Bank of Canada gave $88,700 to the Liberal Party and $85,300 to the Conservatives in 1993. Banks are not taking any chance.

Do you think that this party is serious about modernizing political funding? What was this same party doing just six weeks ago in Quebec? It flouted Quebec democracy by throwing money left and right three days before the referendum to arrange a big love–in. This nearly reached the no side's spending limit. Unfortunately it will not be accounted for. All they will get is a $10,000 fine.

• (1820)

They paid the salary of civil servants and teachers for that day. They closed schools and offices to allow civil servants in Hull and Ottawa to go to Montreal so they could show their affection, which lasted for an hour or so. Democracy was not respected in Quebec on that day. Some no side posters were even put up illegally.

The Reform Party is not without guilt either. It will be remembered that, in 1993, they accepted $25,000 from the Canadian Pacific and $10,000 from John Labatt. Naturally the sums were more modest but the corporations knew that the Reform Party had no chance whatsoever of coming to power. The Liberals had a heyday and they welcomed the opportunity. I hope the Prime Minister will not be prosecuted or come under investigation 4, 5, 6 or 10 years from now. If we believe in democracy, we must make a certain effort.

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, in respecting the tradition of the House, I will make my comments very brief, to give the member an opportunity to wind up, if that is the pleasure of the House.

I want to say a few words to this motion. As the House knows and as has been made very clear by the member for Kingston and the Islands, I have a bill before committee that speaks also to election financing. I commend my hon. colleague opposite for bringing this question to the House.

I am not speaking in favour of this motion. It does not provide the respect to emerging parties that it should. That has already been covered by others. It does not pay respect to new ideas and to parties that may never in fact elect anybody but do bring new and fresh ideas into the body politic of Canada. That is extremely important to our political discourse as a nation. And this bill does not respect performance. In my view, it is absolutely essential that performance be respected and rewarded. No matter what their historical significance, parties that do not resonate with the people should not be rewarded.

The hon. member for Kingston and the Islands went to great lengths to point out the contradiction in my presenting a bill to the House that would affect election financing that does not speak directly to the party policy. I want to make it clear, so that everyone understands, that my bill is incremental. The notion and the reason behind my bill is that it will save the taxpayers of Canada $1 million or so. In my books, saving $1 million or so is particularly important. In particular, the measures in that bill would ensure that political parties are rewarded only if they have resonance within the body politic of Canada, and that political parties are not rewarded merely because they have the resources to spend money.

I have listened to the debate this afternoon. I think this debate is particularly important. When I started to investigate election financing I noticed that if we measured the number of books they would be approximately eight or nine inches high. These are all books about election financing in Canada.

The point the hon. member from the Bloc raised about making sure the political process in Canada is kept as free as is humanly possible from any taint of scandal or influence peddling is one of the reasons I have come around to the view that there is much we can learn from the way the province of Quebec handles financial donations in that province.

I thank the House very much for the opportunity to speak. Once again I congratulate my hon. colleague opposite for bringing this very important debate to the House.

• (1825)

I concur with my hon. friend from North Vancouver who lamented that this was not a votable bill so we could see where all the dogs lie on this particular issue.

[*Translation*]

The Acting Speaker (Mr. Kilger): I understand that the hon. member for Gatineau—La lièvre has already spoken to the motion.

Mr. Assad: How much time do we have left, Mr. Speaker?

The Acting Speaker (Mr. Kilger): There are still a few minutes left. Under the right of reply, I am prepared to give the floor to the hon. member for Gatineau—La Lièvre. However, I must inform the House that he will be the last member to speak to the motion.

Is that agreed?

Some hon. members: Agreed.

Mr. Assad: How much time do I have, Mr. Speaker?

The Acting Speaker (Mr. Kilger): Usually, under such circumstances, the House agrees to allow about two minutes for the member to close the debate.

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, clearly, I will not have enough time to rebut some of the objections raised during the debate on this motion.

My research shows that there are much fewer flaws in this proposal than in the present system. This, I hope, will be the subject of another debate, at some other time.

I would have liked my colleagues in this House to realize that this is not a "revolutionary" idea, contrary to what one of my colleagues from the Bloc quebecois said. I believe it to be plain common sense.

It is indeed an idea I have been promoting for many years, even at the National Assembly, when I had the honour of serving my fellow citizens at the provincial level. I raised the issue of funding for political parties in 1974. This is not something I became concerned about last week.

I have observed the trend and the many scandals concerning political fundraising.

The idea I am presenting today is very simple. I am asking for a debate, not only among members of this House, who can settle the issue, but also in the public at large.

You know, I did just that. I asked several people: "Do you believe that the current way of funding political parties is democratic and fair or that there are slush funds?" Most people answered: "Do you think we are nitwits? We do not believe that the system is fair and equitable. Far from it."

If you ask ten people, at least nine of them will tell you that the system is rotten to the core. So, time has come to examine the way political parties are funded. We do not have to adopt the exact system I am proposing. A University of New Brunswick professor wrote a doctorate paper on the subject. I consulted him and exchanged information with him. His studies demonstrated that the most democratic way is to let the public at large fund political parties.

That is not complicated; perhaps it is even too simple. As is too often the case when an idea is too simple, it is difficult to get it accepted.

To conclude, this is a start. We must hope that other groups that care about our society will realize that the funding of political parties is fundamental in a democracy, and that big multinationals or people with a lot of money cannot be allowed to be the main backers of political parties. This is paramount in our democracy.

• (1830)

Let us hope then that this is a start, because the data that I have gathered clearly show that this would be the most equitable system, one which would not cost more to the state, not a cent more than it is costing today.

The Acting Speaker (Mr. Kilger): The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, this item is dropped from the Order Paper.

GOVERNMENT ORDERS

[*English*]

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

The House resumed consideration of the motion and of the amendment.

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, I am pleased to speak in support of this motion on behalf of the people of Guelph—Wellington.

Canada has always been a nation of ordeals and of triumphs. This country was tied together with the railroad when some said it could not be done. It answered the call of peace and freedom in both world wars when some said that our country was too small to make a difference.

We have held together a nation of difficult climate with unbelievable vastness and extreme beauty. I am confident that we can turn the ordeal of the 1995 referendum into another triumph for our country.

This motion reminds us that it is the responsibility of the people elected to this national assembly to do what is right for Canada. The people of Guelph—Wellington know that this sometimes means that we recognize the obvious.

On October 27, 1995 residents of Guelph—Wellington joined the Canadian family in Montreal in a crusade for Canada. This crusade did not end when the buses returned. It did not end on referendum day when my constituents completed their prayers at Dublin Street United Church in Guelph. It did not end when the signatures dried on the petitions of love and affection signed by the students of the Wellington County Separate School Board. This crusade has not ended in the hearts of the people of Guelph—Wellington and all across Canada.

Their crusade is about promises to be kept, relationships to be strengthened and a nation that continues to be built. We owe it to the people who boarded buses at 3 a.m. on October 27. We owe it to the people who voted no on October 30 and we owe it to every Canadian who loves this country and feels an attachment to its support and support this motion.

The people of Guelph—Wellington are discouraged by members of political parties that believe they were elected to celebrate division and welcome the negative. They know that the Bloc Quebecois and the Reform Party were not at the rally on October 27. They are aware that while one party works toward separation, the other is anxious to demand that the terms of the break–up of this country be staked out, almost like vultures.

Never before has the difference between the government and the opposition parties been clearer. The Liberal government reminds Canadians that there is a lot to be thankful for. The Bloc and Reform Party find much to complain about every day. We are the crusaders. They are the destroyers.

We seek to unite but they seek to divide. The Prime Minister said in the House on November 29 that the spirit of co–operation and partnership that inspires us should motivate us to continue building this great country in an atmosphere of generosity and respect. What the Prime Minister is proposing is both reasonable and prudent. In voting in favour of this motion, we are representing the best interests of all Canadians in the context of all that is good for Canada.

The people of Guelph—Wellington are proud of their past and they know that we can acknowledge Quebec's distinctiveness because they are confident of our future. They look to the members of the House to build bridges, not to create gulfs.

We can give regional vetoes without destroying the fabric of our nation. We need not be afraid. The history of the community that I represent is a strong one because we have been successful

when we all work together. There is no question the referendum was a difficult experience for the people of Guelph—Wellington and for all people across Canada. In the process, our patience has been strained, but our determination to make this country work has not weakened.

• (1835)

My constituents are telling me to rise above the leaders of division and speak directly to the people of Canada, the Canadian family that lives in Quebec, in British Columbia and every community across Canada. They believe that the options presented by the Prime Minister are better than those offered by the Bloc and by the Reform Party. We have a vision of unity and we have a vision of peace.

We want the government to continue on its agenda of jobs and growth. They know that a united Canada means more employment, economic stability and a stronger country for their children and their grandchildren. Their message to me is to get on with it and keep the promises made to Quebecers before the referendum. Ignore those who want to destroy Canada. They want their affection for Quebec to be heard and they want Quebecers to know that we have all succeeded in Confederation, every one of us.

The central question that must be answered is: How can we turn the ordeal of October 30 into a triumph for all Canadians? I do not believe this can be done by being closed, intolerant and narrow. We should always remember those who prayed, wrote, called, marched and rallied for our country during the days prior to the referendum. Triumph calls for inner strength. It calls us to put away our differences. It rises above fear and it rises above frustration.

We are the only elected body that can speak for all Canadians. This country was not built because our leaders reminded us of what is wrong. Canada is the best country in the world. Our Prime Minister can rise with pride to tell us that he is a proud Canadian and a proud Quebecer.

I am proud of my community of Guelph—Wellington. I have said here before that I believe it is the best community in Canada. In Guelph—Wellington, we are crusaders for this nation. We see the rally in Montreal as the beginning, not an end. We see this motion as another step in nation building. We are proud of our community and proud of our province, but we are first and foremost Canadians.

It was a Quebecer, Sir Wilfrid Laurier, who said that the 20th century belongs to Canada. It was another Quebecer, our Prime Minister, who said on October 27 that with this motion and other actions by the government, the country will enter the 21st century strong and united.

Guelph—Wellington residents want nothing more than a united and a strong Canada. They helped build our nation. They have love for family and community. They work hard and they want us to do what is right for Canada. They are Canadians first.

This motion is about change, change not for the sake of change, but change for the betterment of Canada. The people of Guelph—Wellington are confident Canadians. They know we can recognize the obvious, we can give regional vetoes and we can be centralized government without losing our nation. They know that the negative political parties will vote against this motion, but they also know that Canada will not be defeated. Canada has had its share of ordeals, but we have always triumphed.

As they left their buses in Montreal on October 27, the people from my riding were handed a message from Quebecers. I hope members of the Bloc are listening to this. This is the message that my people were handed on October 27 from Quebecers. It says: "Quebecers would like to thank you for your support, your love and your encouragement. We appreciate this unselfish act and we thank you from the bottom of our hearts. God bless this country and all its citizens. We thank you."

I have read and re–read this message many times. This motion is for the author of that message and for everyone who believes in Canada.

• (1840)

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, it is my privilege and honour to speak on behalf of the constituents of Hamilton West to this extremely important motion tabled by the right hon. Prime Minister.

During and after the Quebec referendum the Prime Minister assured us that he would adequately address the clear demand for meaningful change within the federation. The Prime Minister is keeping his word to the people of Canada.

Like many of my colleagues on this side of the House, I am joining this debate in the Canadian spirit of conciliation, compromise and goodwill. At a time when various groups throughout the world are killing one another as a result of neo–nationalism, how typically Canadian for the federal government to address hard core neo–nationalist angst within the relatively calm and cool context of parliamentary debate.

The day before yesterday during debate on government Motion No. 27, we debated the recent Dayton peace agreement and Canadian support for the international community's continued efforts to bring enduring peace and security to the Balkans through participation in a multinational military implementation force under NATO command.

The significance of these two motions should not be lost on the members of the House. How typically Canadian for us to be so devoted to the maintenance of peace and security throughout the war torn regions of the world as to help other nations reach a lasting peace with one another. With respect to the current debate, how typically Canadian for us to set an example for the

entire world by choosing conciliation instead of conflict, diplomacy instead of rebellion, peace instead of war.

I am not aware of any other nation in the world with the same degree of potentially conflicting differences from east to west in terms of culture, language, geography, economics and political outlook as Canada, whose citizens despite these differences are not embroiled in a bloody civil war or otherwise killing one another for the sake of these differences.

Canada by its very nature stands out as a beacon of hope in the world where the concept of peaceful co–existence is overshadowed by seemingly irreconcilable conflict between factions. It is therefore not only timely but also typically Canadian for the Prime Minister to extend an olive branch to the people of the province of Quebec in the wake of the October 30 referendum.

The results of the recent Quebec referendum remind us that we cannot take Canada for granted, that diversity must be respected. Consequently, the government has acted swiftly to initiate a process that in the words of the right hon. Prime Minister "will ensure the unity and evolution of Canada in order to respond to the aspirations of all Canadians".

I think that is worth restating. The government aspires to respond to the aspirations of all Canadians from sea to sea to sea. Some less diplomatic than I have suggested the members of Her Majesty's Loyal Opposition, the so–called dark prince of separatism, have been so consumed by their own thirst for power that they have lost sight of their primary responsibility to protect the economic, social and political security of the people of Quebec.

Others more cynical than I believe the desire of the Leader of the Opposition to focus 20:20 hindsight on the constitutional failures of his former political bedfellows is an indication of his unwillingness to set aside his uncontrollable, self–serving political ambition and focus on the long term future of the people of Quebec. Personally I feel that the marathon speech delivered by the Leader of the Opposition has been somewhat misunderstood.

Clearly we can all understand how easily one can become confused by the constantly changing political agenda of the former Conservative Party federalist turned separatist, now would–be premier of Quebec.

• (1845)

I would like to cut through all of this confusion for a moment and focus on the unity motion. The unity motion is a solemn declaration that sets out how the Government of Canada will conduct its affairs with respect to Quebec in particular and Canada in general. Passage of this motion will indicate to all Canadians and all federal government authorities that it is the will of the House of Commons to recognize the distinct character of Quebec society within the framework of the Canadian federation.

I know what it is like to serve in the opposition. Unfortunately exaggerated and unwarranted attacks on forthright government initiatives are key elements of the often underwhelming opposition art form. If we rise above the separatist bantering of members opposite we see a government, in fact an entire nation of people united by their genuine concern for the long term future of the citizens of Quebec within the federation. How typically Canadian to labour to keep our country together.

Let us not forget the tens of thousands of letters and phone calls and rally goers from Hamilton, Dundas, Ancaster, Flamboro, Burlington and from right across Canada who so passionately showed their support and concern for the people of Quebec before, during and most important, after the October 30 referendum. Let us not forget the evolution of federalism that has allowed Quebec and the other provinces to enjoy increased powers and gradual decentralization with respect to the unique character of each and every province within the framework of a strong and flexible federalist system.

In the case of Quebec we recognize and respect its distinct character, its French speaking majority, its unique culture, its civil law tradition, the fact that Quebec is different, not superior. How typically Canadian that the federal government continues to recognize and respect the rights and concerns of minority groups within Quebec as well.

On behalf of the constituents of Hamilton West I want to say how proud we are of the right hon. Prime Minister's efforts to keep our federation alive. I am proud that the federal government has chosen to address the very real concerns raised by the people of Quebec in a diplomatic and conciliatory fashion.

If this is what it takes to ensure Canada's pre–eminent position in the world as a peace loving federation, if this is what we must do in order to remain the greatest country in the world in which to live, then in my support for this motion I am proud to be typically Canadian.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, this opportunity to participate in the debate on the recognition of Quebec as a distinct society, even if all that was tabled before this House was only a motion, is important to me personally, as a Quebec nationalist and as a member of the Bloc Quebecois in this 35th Parliament.

Before starting my remarks, I must say that it is rather late, in 1995, almost 1996, to realize that Quebec is different from Ontario, from the west and from the maritimes.

• (1850)

I remember, of course, the great declaration of love tens of thousands of Canadians outside Quebec made on October 30. I clearly remember New Brunswick Premier Frank McKenna coming and telling us that he loved us, while at the same time he toured industries on the periphery of his province, saying: "Come and do business with us; we love our Quebec friends". He was trying to steal our industries away from us. Love, yes, but as long as it is profitable. The Canadian federation has been extremely profitable to Ontario in particular for several centuries now.

By putting forward these proposals for change, including the one dealing with recognizing Quebec as a distinct society, the Prime Minister of Canada acts on the promise he made himself to trap the leader of the Bloc Quebecois before he leaves. The Prime Minister said: "I dream of the day when I will rise in this House to vote for Quebec's recognition as a distinct society and smile as I watch the Leader of the Opposition vote against it".

This is the Prime Minister speaking, a member from Quebec, the hon. member for Saint–Maurice, who, unfortunately, does not travel to Quebec often enough and, as a result, is literally out of touch with the francophone public opinion in Quebec. Twenty days before the referendum, like Claude Garcia, he was telling everybody: "We are going to crush the Quebecers and have a 65 per cent victory". Can you see how out of touch from his home province this man is?

That was a petty thing to say, a much too petty strategy, but it is true to form for the Prime Minister and member for Saint–Maurice.

This motion recognizing Quebec as a distinct society is not the result of a sensible reflection with the interest of the country or the betterment of the Canadian and Quebec society in mind, let alone a major change to save the country.

No, the Prime Minister's reflection was not based on these noble intentions, but rather on the desire to get back at the Leader of the Opposition and to discredit him.

Revenge and discredit are inappropriate guides at a time when the survival of two nations is at stake. But neither the people of Canada nor the people of Quebec are fooled by the Prime Minister's scheme or by the Deputy Prime Minister's crocodile tears.

The people understand that this distinct society proposal that was cobbled together even before the committee had tabled its recommendations and that has been revealed as phoney, this motion that recognizes Quebec's distinct society in such a superficial way is outdated and is no longer an issue in Quebec for both sovereignists and federalists who want serious changes.

Again, this shows how the Prime Minister is totally out of touch with Quebec reality. His fanaticism prevents him from understanding the message sent to him on October 30 by the people of Quebec.

• (1855)

In this regard, even partisan federalist newspapers are criticizing the Prime Minister. In the November 29 edition of *La Presse*, for example, Alain Dubuc writes: "The Chrétien government's first timid effort mostly shows that it has great difficulty in understanding what is happening in Quebec and Canada and, above all, in accepting changes that we see as inevitable".

They all agree that recognizing Quebec as a distinct society only through a declaration in the House of Commons does not resolve the underlying problem. Even its eventual entrenchment in the Constitution no longer satisfies the aspirations of Quebecers.

The Liberal government has missed the boat and neither the Leader of the Opposition nor the members of the Bloc Quebecois will be embarrassed to vote against this motion. On the contrary, adopting this motion would be a major setback in Quebec's path to recognition as a people.

As Gérald Larose used to say, we do not want to be bothered with distinct society any more. What we want now is to be a normal, quiet people.

Quebec is sick of these meaningless slogans, of being a society at the mercy of Ottawa's and English Canada's whims, of listening to a Prime Minister who denies ever having said what he said, both before and after having said it.

If the official opposition accepted this motion, Quebec would be seriously weakened since, as everyone acknowledges, Ottawa's distinct society proposal does not go as far as the Meech Lake accord and the Charlottetown accord, which both Quebec and the rest of Canada rejected.

The Prime Minister's motion to have the House recognize Quebec's distinctiveness cannot in any way be considered a response to the demand for change expressed by Quebecers in the October 30 referendum. We must keep in mind that, a little over a month ago, 50 per cent of Quebecers voted in favour of Quebec's sovereignty, while the other 50 per cent voted for a major renewal of Canadian federalism.

The motion before us falls short of Quebecers' aspirations. It is unacceptable, for both sovereignists and federalists.

Once again, the Prime Minister of Canada has made the wrong decision, as all Quebecers and Canadians know. That is why I think that the Prime Minister will not find it so funny on election day.

In closing, one can laugh at a people some of the time, but not all of the time.

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, the Prime Minister's motion on distinct society takes me back to 1992, the year of the Charlottetown accord. That is also when I decided to dedicate the rest of my career to standing up for Quebec's interests here in Ottawa, as eight other Bloc members were already doing, seated at the back of the House, isolated, but undeniably efficient.

When offers are made to me, I usually examine them. I never dismiss anything out of hand, without giving it at least some thought.

• (1900)

Of course, Quebecers have the same attitude. Thus, having heard and read the Prime Minister's motion, I can say that it is the greatest dilatory tactic I have seen in my political life. The Prime Minister botched his work. The referendum results made him panic.

During the week preceding the referendum, he felt that he had to promise some changes, and this is what we have now: an empty shell, a black hole, a total blank. Distinct society my foot. This carbon copy of the Charlottetown proposals, which were rejected by both Quebec and Canada, as we recall, does not recognize the people of Quebec in any way. Where on earth does the Prime Minister live to think that Quebec is now prepared to accept less than Meech 1 and 2, less than Charlottetown, if that were possible?

The motion says that we speak French in Quebec and that we have a civil law tradition. How nice. This resolution is nothing but wishful thinking. The 1982 patriation of the Constitution was a denial of the existence of the Quebec nation. Since then, there has been only one nation: the Canadian nation. Thankfully, no Quebec government, not even the Liberals, put up with that rebuff. Meech 1 was entrenched in the Constitution. Some legal and political aspects in that accord allowed Quebec to keep its head high.

The current Prime Minister, along with his friends, managed to render that agreement meaningless. Quebec rejected a proposal, as did English Canada, but not for the same reasons, of course. How can the leader of the government dare take a step backward and seriously think that his resolution meets Quebec's historical and legitimate aspirations?

His ally in the no camp during the last referendum, the leader of the opposition in the National Assembly, Daniel Johnson, demanded that Quebec's distinct nature be entrenched in the Constitution. The Prime Minister knows full well that his motion is meaningless. He only introduced it to be able to say that he is fulfilling the promises for change he made at the last minute, when the yes side seemed dangerously close to winning.

As we saw in 1992, with the referendum on the Charlottetown accord, it is no longer enough to say, affirm, or wish that Quebec be recognized as a distinct society. At the time, the distinct society clause only had a symbolic value, so much so that most French–speaking observers in Quebec were convinced that this concept no longer had the same meaning as it did in the Meech Lake accord. It was so watered down that even Clyde Wells felt there was no risk of seeing this clause serve as a stepping stone towards the affirmation of a special status for Quebec. Yet, this is what the Prime Minister is proposing.

As a member representing a Quebec riding, I cannot support a motion which proposes much less than even the minimal claims made by Quebec over the years. Any Quebec member who does is in fact saying that, as far as he is concerned, Quebec does not exist as a nation. There are only people who speak French in a given region of Canada, period.

We all know that this resolution is just that: a mere resolution. With all due respect to this House, this resolution has no legal effect, even if it is supported by a majority of elected representatives. It merely reflects the will expressed by parliamentarians, and it would not be binding on any court in Canada. It is meaningless.

In his attempt to propose changes to Quebecers, the Prime Minister also included manpower training, as well as a veto power. Let me briefly say that, as regards manpower training, I am still looking for the change. Actually, there is one change. We now know that, when the Prime Minister talks about decentralization, it means that the federal government keeps control over the distribution of money.

The federal government prevents Quebec from implementing a true manpower training policy. Yet, everyone in Quebec agrees that all powers related to that sector should be delegated to the province.

• (1905)

It seldom happens that everybody agrees on one thing, in Quebec or elsewhere. As for the veto, let us not delude ourselves, what is being proposed amounts to providing for regional referendums whose terms and questions would be developed in Ottawa, where Quebec representatives are in minority as you know. Flexible federalism means that Ottawa makes the decisions and the provinces have to live with them.

Three weeks ago, I heard the Prime Minister say that he was a Prime Minister from a Quebec riding, a francophone and a Quebecer, and that his government should be trusted.

Personnally, I was willing to trust him to some extent. I told myself: "Listen, mistakes have been made; he made mistakes in 1982. But sometimes, a guy who has made a mistake can get back on his feet. I will therefore go half way and trust him".

In the motion he put forward, Motion No. 26, I thought I would find a recognition of Quebec as a distinct society, and that this recognition would also be enshrined in the Constitution. That was not the case. A few moments ago, I heard a member opposite say that we wanted separation and so forth. I will tell you that my father is a well known businessman in Quebec and in Canada. He has traded in all ten provinces of Canada. When

my father returned from the west, the first question I used to ask him was: "Dad, how did it go out west?" And his answer would be: "Jean, it has been very hard, very difficult. I have the feeling that the west will separate before Quebec does".

When we look around in this House, we see that Quebec has rejected this proposal from the Prime Minister, Mr. Chrétien, who represents the constituents from Saint–Maurice, and that even the English Canadians who make up the third party, the Reform Party, said no to this proposal. Something must be wrong when both French speaking and English speaking Canadians agree to reject a proposal.

So, we have to recognize what Quebecers have been asking for for the last 25 years. It is not asking too much to want to be recognized as a distinct society. The federal government has done it for the Indians, why can it not do it for Quebecers? They gave the Indians some land. We are not asking for land, we already have some. We only want to be recognized.

Frankly, I must say that, after fighting for 25 years, Quebecers, the French speaking citizens of Quebec, really thought this time would be it. However, the Prime Minister told us: "Dear friends, wait until 1997, wait until April of 1997, when we will reopen the Constitution". I have to tell you in all honesty that, as a politician, when I decided to come to Ottawa, I told myself: "The only way to succeed is to be on the spot, to go to Ottawa and mingle with my English speaking friends". Because I must say in all honesty that the people from western Canada are my friends.

It is not because we have a different point of view that we cannot get along with people from western Canada or the maritimes. Of course not. What is important is to be on the same wavelength and to get support for a society, for a people—the men and women of Quebec who want to be recognized some day.

I trusted the Prime Minister. I am a bit disappointed, because I would have liked for the notion to say that our distinct society will be enshrined in the Constitution. It was not asking too much, as I said earlier, but it was not done.

This was his last chance. I remind the House that three days before the referendum, thousands of English speaking Canadians came to Montreal. I was proud, because these people came to visit our region. To say they love us is one thing, but to prove it is another matter.

So, as far as I am concerned, I would like all this to be enshrined in the Constitution and I will continue to reflect on this issue.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in what can only be regarded as a historic debate.

• (1910)

I would like to talk about a couple of things that are important with respect to the national unity of our country. These are things members opposite perhaps failed to mention when they talked about what they perceived to be the wrongs or the injustices suffered by their fellow citizens in various parts of the country. I say various parts of the country because this is not a case of complaints only from one province. We hear it from many provinces. We hear it from the provincial premiers when they complain about some of the changes the government is proposing in the amending formula. I know that bill is not before the House tonight, but it is part of the package of reforms the government has introduced, which I am pleased to have the opportunity to discuss.

Although members do not mention it often, always in back of their speeches is the famous battle that occurred in Canada on the Plains of Abraham. I am not going to go through that. There was a second battle, which I think is virtually of equal importance for the future of the country and which is never mentioned. I want to remind hon. members about this story because it is of tremendous significance for Canada.

The battle happened 220 years ago this year. There was a revolution that started in the United States. The American Revolutionary Continental Congress decided to send a force to invade Canada and take over the colony of Quebec, which was then part of the British Empire, having been captured 15 years previously in the famous battle I mentioned earlier.

The Americans dispatched General Montgomery to capture the province of Quebec, or what was then the colony of Quebec. Starting in September he moved up the Richelieu River and captured Fort Saint–Jean and Fort Chambly before October 18, 1775. He subsequently attacked Montreal, where the British governor, Sir Guy Carleton, was stationed.

Governor Carleton realized the defence of Montreal was hopeless, given that he was outnumbered substantially by the American force. He had only 800 British regulars with him to defend the entire colony. He left Montreal by ship and sailed for Quebec on November 11, 1775, and immediately began fortifications of the city of Quebec.

General Montgomery took Montreal on November 13, stationed 500 of his troops there, and then moved on to Quebec City with about 300 men. He gathered with him various people from the countryside, des habitants pour l'aider avec son attaque sur la ville de Québec.

It is estimated he had between 1,600 and 1,800 men outside Quebec when he started his siege on December 5, 1775. The governor, Sir Guy Carleton, was in a heavily fortified position with apparently adequate food, but of course the city of Quebec

was pounded by a bombardment launched by Montgomery and his forces as they besieged the city.

As winter continued to move in to the area and made things colder and more difficult for Montgomery's troops, he realized that in order to maintain his position he had to take the city and get the battle over with reasonably quickly. He launched an attack on the city of Quebec on December 31, 1775 in the early hours of the morning. It was dark. There were a lot of shots exchanged and ultimately Montgomery was killed in the streets of Quebec. The battle was lost for the Americans. The siege continued until the spring, but a British ship arrived, lifted the siege, and the Americans had to retreat.

That battle was won because the residents of the city of Quebec helped the British governor. They sided with the British governor, the recent conqueror, in order to preserve what they thought was a better way of life under the British crown as an independent part of North America and not as part of the United States. In a way, they were the first United Empire Loyalists, because they made that very significant decision. If they had not made that decision and had sided with the Americans and rebelled against the British force, as they could easily have done, no doubt Quebec would have fallen and no doubt we would have been part of the United States as a result of the revolutionary war.

• (1915)

The men and women who made that decision were residents of the city and of the surrounding countryside. In my view they were the first great nation builders of Canada. We never hear mention of them whenever a member of the Bloc Quebecois or any separatist is busy talking about Canadian unity.

It is a battle that holds tremendous significance. In my visit to Quebec I saw the place in the street where Montgomery was killed. I believe there is a plaque in the street where this happened.

Some of ancient buildings in Quebec bore marks for a long time of the bombardment they suffered from the Americans in that war 220 years ago at the end of this month, the anniversary date of the attack on Quebec led by Montgomery.

This was a very significant event in Canada's history which saved Quebec, basically the only part of Canada that was then of any significance as a British possession that operated as part of a group of colonies that began to grow and prosper, all of them not prospering quite so well but at least growing in Nova Scotia, New Brunswick, Quebec and ultimately in Upper Canada, in Ontario.

By 1840 we had the Union Act of 1840 that put the provinces of Upper and Lower Canada together under a single administration, at least legislatively.

Subsequent to that the debates took place in respect of the union of the Canadian provinces. It is to those debates that I want to turn because I want to quote some nation builders. That is what we are engaged in here in a very modest way today.

It is important to bear in mind some of the words some of these people spoke. I turn first to the remarks of the hon. Sir John A. Macdonald. He was not a knight at that time. He was the attorney general for the western part of the province of Canada and at that time the member for Kingston.

He was one of the senior Fathers of Confederation. I quote what he said in respect of Confederation at that time. This is in the Confederation debates in 1865, talking about the union of Upper and Lower Canada:

> It was felt that a dissolution of the union would have destroyed all the credit that we had gained by being a united province, and would have left us two weak and ineffective governments, instead of one powerful and united people.

Those words apply precisely to the situation we faced in pre–referendum Canada a few weeks ago. I submit those words are of importance now just as they were then. He went on to say:

> The Lower Canadians would not have worked cheerfully under such a change of system—

He was talking about a different system than the one I was reading about before—

> —but would have ceased to be what they are now—a nationality, with representatives in Parliament, governed by general principles, and dividing according to their political opinions—and would have been in great danger of becoming a faction, forgetful of national obligations, and only actuated by a desire to defend their own sectional interests, their own laws, and their own institutions.

He was speaking of having a unitary government where there would not be a federal division of powers as we now have where different parts of the country have the right to decide certain things.

We have a situation in which both the opposition parties are claiming the federal government should give up powers and where the federal government has acknowledged that is so and has chosen to do that.

I refer to Sir John's conclusion:

> In conclusion, I would again implore the House not to let this opportunity to pass. It is an opportunity that may never recur. At the risk of repeating myself, I would say, it was only by a happy concurrence of circumstances, that we were enabled to bring this great question to its present position. If we do not take advantage of the time, if we show ourselves unequal to the occasion, it may never return, and we shall hereafter bitterly and unavailingly regret having failed to embrace the happy opportunity now offered of founding a great nation.

I quote another one, Sir George–Étienne Cartier, Macdonald's great partner in putting Canada together. He said, and these words apply today as much as they did then, in the same debates in 1865:

> The question for us to ask ourselves is this: Shall we be content to remain separate—shall we be content to maintain a mere provincial existence, when, by combining together, we could become a great nation? It had never yet been the good fortune of any group of communities to secure national greatness with such facility. In past ages, warriors have struggled for years for the addition to their country of a single province.

• (1920)

Here we had the great willingness on the part of all these people to unite and form this great country we now enjoy.

I quote another great nation builder, Sir Wilfrid Laurier, one of the great prime ministers of our country. He said, from page 1842 of *Hansard*, on March 13, 1900:

> If there is anything to which I have given my political life, it is to try to promote unity, harmony and amity between the diverse elements of this country. My friends can desert me, they can remove their confidence from me, they can withdraw the trust which they have placed in my hands; but never shall I deviate from that line of policy. Whatever may be the consequences, whether loss of prestige, loss of popularity, or loss of power, I feel that I am in the right, and I know that a time will come when every man, my hon. friend himself included, will render me full justice on that score.

As our forebearers did, we can do no less but to engage in the nation building which they did in this great and vast country of ours.

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am proud to be a Canadian and I am proud to be part of a country that includes the province of Quebec. I am proud to be part of a country that not only recognizes diversity but respects and cherishes it.

What a boring country it would be if we were all the same. Our differences keep us vital and dynamic, and our ability to respect our differences while working together has made us the envy of the world.

The United Nations said Canada is the greatest country in the world. We owe this honour in large part to those who built Canada, to the men and women who came here searching for a better life and for hope.

The fabric of our country is woven from the threads brought here by people from around the world. These threads of hope, tolerance and compassion unite us as Canadians and will provide the strength to see us through the challenges that lie ahead.

Countries are not rigid like the stone and rock they are carved from. They must be fluid and adaptable if we are to survive.

Since Confederation, Canada has successfully adapted to a rapidly changing world. Our boundaries have changed and it was less than 50 years ago that we acquired a new province, Newfoundland. We are now in the process of creating the new territory Nunavut.

Our economic base has expanded and diversified to the point at which Canada has a highly integrated economy and is a competitor in world markets. A century ago the people of a country that was largely based on farming and trapping could never have dreamed that the Canada of today would be a leader in telecommunications, aerospace and finance, and that its agricultural products would be marketed around the world.

Canadian society has also changed dramatically. Our population has grown tremendously and shifted from largely rural to mostly urban. An influx of people immigrating from around the world has made Canada a unique cultural mosaic.

Canada has grown and prospered because of its ability to read the signals for change and to adapt for the well–being of our country. The referendum vote on October 30 was a vote for Canada. It was a signal for change.

As the Secretary of State for Multiculturalism noted during the debate on Friday, the Prime Minister, the government and Parliament have a duty to preserve the unity of Canada as a nation indivisible.

Quebecers and Canadians have asked the government to keep Canada together. The Prime Minister has responded quickly to the signals for change. It is a response to keep the country united. That is what Canadians and the people of my riding of Dauphin—Swan River want.

• (1925)

When the Bloc members refer to the rest of Canada as English Canada they do a great disservice to the hundreds of French Canadians who live in my riding of Dauphin—Swan River; French Canadians who have kept their language, culture and traditions alive in rural Manitoba.

I am pleased and proud to represent predominantly French communities such as Ste. Rose du Lac, Laurier, St. Lazare and San Clara where people of many ethnic origins, including English, French, Ukrainian, Polish and First Nations people, work together toward their common goal of building strong communities and contributing to a strong and united Canada.

I have been overwhelmed by the response of the people of Dauphin—Swan River about the future of Canada. The people of my riding tell me that for the good of Canada, for our present and for our future, we need to remain united.

As the Prime Minister has so eloquently stated, a Canada without Quebec is no Canada, and a Quebec without Canada is no Quebec.

I also bring to the House a message from the youth of Canada. They too want and deserve a voice in the debate about the Canada they will inherit from us.

In November I travelled to a number of schools in my riding of Dauphin—Swan River to listen to young people about their vision of Canada. The students told me their Canada includes Quebec. It is important to them that we make every effort to keep our country united, from sea to sea to sea. That is the Canada they know. That is the Canada they want. That is the Canada they deserve.

This was also the message three young people from Russell, Manitoba brought to me in Ottawa on their way to the Montreal rally. These young people spent their hard earned dollars to travel to Montreal to be part of the chorus of voices ringing across Canada, telling Quebecers they are important to Canada. The courage and the commitment of these young people is a shining example of the belief western Canada has that a strong Canada is a united Canada.

We must lead by example. We must show our young people that differences can be overcome and that compromise is preferable to conflict. As a member of Parliament and as a member of the Liberal government I am committed to ensuring a strong and united Canada for the benefit of the people of Dauphin—Swan River and for all Canadians. As a mother and a grandmother, the Canada I want to give to my children and my grandchildren is a Canada which includes Quebec.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is a pleasure to speak to Motion No. 26 this evening.

It is a pleasure to speak to any government legislation of significance these days because the Liberal government has developed a habit of invoking closure on important controversial bills. It is beyond comprehension. This is one of the most important issues before the House and the government is limiting debate. What is the government afraid of, that people may actually find out what it is doing?

It is difficult for me to find parliamentary language to accurately describe my outrage at how the government rams through legislation by denying members of Parliament the opportunity to bring the concerns of their constituents into the debate. However, I digress. I am here to talk about the motion before the House today. I had better take advantage of the opportunity to speak before the Liberals decide they want to invoke closure in the middle of my speech.

The motion is rather simple but leaves many questions unanswered. Motion No. 26 calls on the House to recognize that Quebec is a distinct society within Canada. Before I give my opinion on the issue of whether Quebec is distinct, I will address the issue of what this means to the rest of Canada.

• (1930)

If Quebec is distinct, does that mean the rest of Canada is indistinct? Does it mean there is no difference between the outports of the Newfoundland coast and downtown Toronto? Does it mean there is no distinction between the isolated native communities of the north and downtown Vancouver? Does it mean the rural grain farming communities of the prairies are indistinct from downtown Ottawa?

The answer to these questions is obviously no. Not only are the other nine provinces distinct from each other but there are significant distinctions within the provinces themselves.

My first administrative assistant on the Hill was a francophone from Campbellton, New Brunswick. I can accept the fact that she and her fellow francophone New Brunswickers consider themselves to be distinct from the Quebecers who live just on the other side of the Restigouche River.

This motion also recognizes the distinction between francophones in Quebec and New Brunswick but it does not recognize the distinction between New Brunswick's Acadians and New Brunswickers of British origin. Does that mean that there is no distinction between the two groups? That is the biggest flaw of M–26. It demands that this House recognize only one distinction.

Let us look at the three largest metropolitan cities in Canada. I have enjoyed my visits to Montreal and could have spent days wandering in the old town, but like Toronto and Vancouver, Montreal is a city whose population is a blend of old stock Canadians and larger, newer immigrant communities. Immigrants come to these cities from countries that span the globe. What is different is the percentage of the various ethnic groups that make up the population of each of these three cities.

Despite this difference, they are still all large cosmopolitan cities with tall skyscrapers in the central business district surrounded by a mix of industrial and residential communities.

However, the government wants us to recognize that Montreal is distinct but Vancouver and Toronto are not. Why? Because as is stated in part (2) of the motion, the government wants the House to recognize that Quebec's distinct society includes its French speaking majority, unique culture and civil law tradition.

Now we know why Montreal is to be considered distinct and Vancouver and Toronto are not. Montreal is distinct because of its French speaking majority but where does this leave Montreal's anglophones and allophones? According to this motion,

they must be indistinct. Let us flash back to the aftermath of the referendum and Premier Parizeau's comments about the ethnic vote. His comments were roundly and rightfully condemned.

Members opposite were especially vocal in their condemnation of Premier Parizeau's attack on the ethnic vote. What does the government do in response? It put forward this motion that states that Quebec is distinct because of its French speaking majority. It wants to legislate a distinct status for Quebec's francophones, separating them from the ethnic minority, the very fact Liberals condemned Premier Parizeau for stating.

Once again, the government deals in a logic that can be understood only by that side of the House. It must be something in the drinking water in the government lobby.

Let us return to the question of whether Quebec is distinct. Yes, Quebec is distinct but Quebec is a diversified province with one area distinct from another within its own provincial borders, the same as all the other provinces.

The northern parts of British Columbia and Alberta are very different from the southern parts. I recall the comments separatists were spouting after the referendum loss that the results showed division in Canada. No, the referendum result showed division in Quebec. Although Quebec is no longer a homogeneous province, the federal government wants it to be treated as one.

Points (2) and (3) of the motion state:

> (3) the House undertake to be guided by this reality;
>
> (4) the House encourage all components of the legislative and executive branches of government to take note of this recognition and be guided in their conduct accordingly.

What this means is unclear. The Prime Minister is telling Quebecers that these sections will provide Quebec with a great deal of power, yet at the same time he is telling Canadians outside Quebec that it does not. Which is it? Let us not leave this motion undefined. Reform Party members have attempted to clarify the meaning of distinct society with our amendment, that this motion does not confer any powers, rights, status or privileges to Quebec that are not provided to any other province. Our amendment will ensure that all Quebecers will be treated equally.

• (1935)

Our amendment also makes it clear that there is nothing in this motion that denies the fact that Canada constitutes one nation. That is the danger of passing the government's motion without the Reform amendment. By identifying Quebec as a distinct society, the government is agreeing with the basic tenet of the separatist mantra that the Quebec people are different from the rest of Canadians. Do the Liberals honestly believe that once they acknowledge this difference they can counter the second part of the separatist argument that because of this difference Quebecers need their own nation?

In dealing with this issue I have tried to do what the government refuses to do: ask the opinions of average Canadians. In my latest householder I included my regular 10-question survey. Two questions in that survey are first, do you believe that Quebec should be granted distinct society status if it confers special privileges or powers to Quebec? Second, do you believe that Quebec should be granted distinct society status if it confers no special privileges or powers to Quebec?

Unfortunately with the government's rush to stifle debate, I will not have enough time to have a truly representative response to these questions. However, as of this moment the answer to the first question is overwhelmingly no. The answer to the second question is still too close to see a trend. My greatest objection to this motion is that the government believes it is ordained to make these serious decisions on its own without any consultation with Canadians.

It would have been more appropriate if the government had stayed to its original plan and had us voting on this motion tomorrow, December 7. What could have been more fitting than having the government ram through a motion in this manner, and by having it do so on a day that already has a reputation of being a day that shall live in infamy? I guess we will have to come up with our own day of infamy, but then the government is providing us with so many.

The people of Surrey—White Rock—South Langley should have had an opportunity to express their opinions on this motion and the veto issue directly through a national referendum. However, they will have to be content with their MP's having a chance to contribute in this debate. It is very unfortunate that there are many Canadians who have lost the opportunity to have their member of Parliament speak to this issue.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to address the distinct society motion presented by the Prime Minister and his government with respect to the province of Quebec.

The reason we are debating this motion late tonight is because of the Prime Minister's last minute Hail Mary promise to Quebecers during the dying moments of the referendum campaign. With this motion, combined with a constitutional veto and a transfer of manpower training to Quebec, the Prime Minister feels he has now made the best and most significant contribution to national unity. We are all going to live happily ever after.

I am afraid I cannot agree with his logic, his proposals and the timing of them. He has resurrected the constitutional ghosts of Christmas past and will witness the same results as was had with Meech and Charlottetown: failure.

In analysing the components of the distinct society motion I have to ask the question whether the Prime Minister truly feel this really satisfies Quebecers' desires, hopes and needs. The Prime Minister is a Quebecer. If anybody should know what Quebecers want, it is he.

However, during the referendum campaign he misread, he misunderstood and he misrepresented to the rest of Canada what should be done. He said: "Thank you very much for staying quiet. Don't worry, they won't leave. Just don't say anything to upset them and everything will be fine". He almost blew it and he knew it.

He got the minister of fisheries, Captain Tobin, to use his turbot popularity and throw together a unity rally in Montreal asking everybody from sea to sea to get to Montreal. He then turned around and made promises to the separatists, promises to the sovereignists, promises to the nationalists, promises to the federalists. Keeping promises is not one of the Prime Minister's strong points. He promised to renegotiate NAFTA, but did not; he promised to eliminate the GST, but has not; he promised to eliminate patronage appointments, but will not; he promised free votes, which maybe is something he is not allowed to deliver on. Now we have him promising to recognize Quebec as a distinct society in Canada.

• (1940)

As a Quebecer he should know what Quebecers want when they say distinct society. He knows they want the rest of Canada to recognize Quebec as one of two founding nations. He knows Quebecers who want distinct society do not feel there is any cost in acknowledging that they are one of two founding nations. They want a distinct society clause that will protect their rights over language, culture and civil law while keeping the province French.

I do not disagree with some of these aspirations. What I do worry about are the consequences if the definition of distinct society is not spelled out. If distinct society means Quebecers are different because of their language, culture and civil law, I recognize that. That means they are unique and distinct from other provinces and people, just as other provinces and people are unique and distinct from them.

However, if Quebecers want this distinct society clause to mean that not only are they different but they also get special legislative powers above and beyond the rest of Canada, I am against that. I am sorry but the answer is no to one province getting special treatment over another.

While Reformers can agree to recognizing differences, we cannot agree to giving Quebecers some form of special status over and above other Canadians. That is fundamentally unacceptable and I truly feel that most Quebecers understand that point.

All Quebecers want is something that gives them satisfaction that they will not be tromped on, stamped on and kicked on, as is currently being done by the Minister of Human Resources Development with his new employment insurance program.

The frustration in Quebec is based on the fact that we have too much federal interference in matters of provincial jurisdiction. Quebecers want the federal government to get out of their lives in a lot of areas. That is where the solution to national unity lies. Give the provinces the powers they want and need, regulated by the federal government, and let us make government the right size doing the right thing. Let us have a smaller and more open government.

Simply put, all provinces want control over their purse strings on programs closest to the people, delivered at a lesser cost than is currently the case with the bureaucratic nightmare in Ottawa.

I am not against the distinct society motion which recognizes Quebec as a distinct society within Canada, provided it is fully defined and does not make them the biggest kid in the playground. That is why I ask the Prime Minister and the government to support Reform amendments to this distinct society motion so that he can get more support from all across Canada, including from those people in Quebec who look on this motion very suspiciously. It would give the people of Quebec and the rest of Canada what they want: recognition with powers, but not special status.

I ask the government to support our amendments because what we are trying to do is please the majority of Quebecers, not the minority. If we keep trying to come up with programs and with definitions to please the separatists it will never work. It has not worked for 25 years and it will not work for the next 25 years. The separatists act like spoiled children; not all Quebecers, just the separatists.

Most Quebecers want what is in their best interests, and that is no different than me as a distinct and different person from the province of Alberta. I want the best for my province just as people in Quebec want the best for their province.

Let us design a motion that appeals to the majority of Quebecers, that appeals to the majority of Canadians. That is how we can build on national unity. For the sake of national unity I ask the Prime Minister to please consider the input and information that has been coming to him through the Standing Committee on Justice and Legal Affairs on the constitutional veto. I hope the government listens. There has been some valuable input there.

We can debate sharing the federal government veto with four or five regions. That is not really the issue. I believe there are five regions because British Columbia is more like the Atlantic provinces than it is like the prairies.

The point is this veto should be for the people of Canada and not their legislative assemblies. We already have the seven provinces out of ten representing 50 per cent within the constitutional amendment clause. The separatist Parti Quebecois will now have veto power over changes to the Canadian Constitution. This is ridiculous. The veto should be given to the people of Quebec and not to the politicians.

• (1945)

We should be and I think we are a country of 10 equal provinces committed to similar goals and objectives, each with the same rights, privileges and powers. If we want to change those rights, privileges and powers, it should be one one way or another through a national referendum from the bottom up, not necessarily by elected officials from the top down.

We have to look at the situation very seriously. We have to conclude that a lot of people in Canada want change, not just the province of Quebec or the people who had the referendum. People across the country want change for the good. They do not want change to justify the status quo.

We have to look at issues like changes to the Constitution or granting one province recognition in a way that the rest of the country worries might give it special powers. We have to address those issue. What is wrong with addressing them? We all have to work together to bring the country together from sea to sea.

We have to make amendments to the Constitution to give it the ability to live and the ability to be changed. It should be difficult. It should not be easy to change the Constitution once we define the powers, the levels of responsibility and the way we will work together as 10 provinces. We should think about how we can make changes to it. We cannot give a veto to every province, or there will never be change. We cannot put that Constitution in a vault, let it die and gather dust. We have to give it life. It has to be a breathing document. It has to be tough to make change but we have to allow change to happen.

We have to look at different provinces and different regions and try to recognize their specific needs and wants. There is no reason we cannot accommodate them. There is no reason we cannot come up with a mechanism to give Quebec what it wants and recognize it as a distinct society. It is different. It is unique. It has made a valuable contribution to the building and the nurturing of this great country called Canada.

If that means that Quebec should also get special powers over and above being recognized as distinct, that is not right and we have to tell Quebecers that. The separatists really want this. It is not all Quebecers. Those who want it want to protect their French language. We should be able to help them protect their French language and their French culture.

They in turn should protect minority rights within their province, the English and any other immigrant, and how they can interface with their provincial problems. They do that. What I am saying is that we have ways and means of producing a collective agreement if we just identify the right problem.

This is a panic effort by the Prime Minister and the government to fulfil a promise that he made in the dying moments of a game that he thought he would lose. The game is called unity and he was afraid he would lose the country. He did not want to go down in history as the Prime Minister who lost the country after having told all of us: "I am from that region. Don't worry. They won't vote to go", and they almost did.

It is sad. Now that it is all over they almost look at us and ask: "What did the Reform Party do?" We kept telling them all along to tell Quebecers the consequences of separation, the price of separation. They did not do it then. We will do it now and never in the future will any province look at itself and say it will separate and everything will be perfect. We will tell them the cost of separation.

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I am pleased to have an opportunity to address the House today on the motion put forward by the government to recognize Quebec as a distinct society.

I remind members of the most recent referendum in which a majority of Quebecers voted to stay in Canada. With this motion we are trying to make sure we build on that commitment by Quebecers.

With all the rhetoric it is difficult for Canadians to understand what is going on. The Bloc is telling Quebecers there is nothing in this package, that it is a bunch of platitudes, that it means nothing, that we in so–called English Canada really do not want them to stay. The Reform is telling us that we are giving Quebec everything, that we are giving it something that other provinces do not have, and that somehow it will be able to do other things within Canada to get special powers because of the motion.

• (1950)

No wonder Canadians are having a hard time understanding. Quite frankly it is not only rhetoric but lies are being told to Canadians on the issue. It is disturbing, especially given the fact of how important the issue is to Canada and to the future of the country.

The opposition is telling truths but it is only telling half truths. The Bloc says it does not want to talk about the Constitution. Then it says that somehow the motion does not give Quebec any special constitutional power. How can it argue on the one hand that it does not want to talk about the Constitution and on the other hand argue that the motion somehow is not constitutionally significant?

Frankly it is no surprise that Canadians do not want to talk about the Constitution. They want to deal with other issues. They want to deal with jobs. They want to make sure that their families have opportunities for education and proper health care. These are issues of concern to Canadians.

The Prime Minister gave a commitment at the Montreal rally, which I am proud to say a number of my constituents attended, to address some of the concerns of Quebecers. I know the Reform Party blames us for the outcome being so close, and it was. I agree that it was Canadians who came together in that last week, drew the referendum together and showed Quebecers what they thought.

On behalf of not only the constituents of Haldimand—Norfolk but of all people of Canada I want to say how proud I was of those great Canadians who went from the riding of Haldimand—Norfolk on their own volition to Montreal to express their deep desire for the country to stay together.

All Canadians inside and outside Quebec understand there is nothing we could propose right now to the Government of Quebec and to the Bloc Quebecois that would make them happy. There is nothing we could propose right that would make them all of a sudden jump up and say that they want to stay in Canada. They are not prepared to do that.

What the Prime Minister has done, and I think he has done it very well, is drafted it in a way that he is giving exactly what he committed to. He is opening the door for future commitments and future negotiations in 1997 or 1998. He is allowing Canadians the time to sit down and work on some of the problems we have as a country.

I call on all Canadians to take up the challenge of the Prime Minister to go to Quebec, to Alberta or British Columbia and tell them we need to keep the country together and that the fact the United Nations considers us the number one country in the world is no mistake.

It is because we have been able to draw together, to work together, to bring the diversity of Canadians together and to focus attention on working for the betterment of not only Canadians but the country as a whole. We have stayed together all these years because of that desire of Canadians.

There are those who ask: "What is Canadian? What is Canada?" Some people say Canada is something that is not American. I believe we saw in Montreal what Canada really stands for: for sharing, caring and working together. The motion tries to build on that. I ask Canadians to challenge the naysayers and those in Quebec who say that English Canada does not want them based on history and on fact.

Recently we observed Remembrance Day with ceremonies in which we remembered the strong dedication that many Canadians gave to their country. We recently celebrated the 50th anniversary of the end of the war in Europe. Those Canadians died for their country, believing in their country. I wonder what they would think today about the ongoing debate in the House, what they would think about the silliness of some of what is being said. They fought and gave their all for their country. They deserve our giving them something back. We should sit down, talk, throw away politics, throw away the rhetoric and let their memory guide us in terms of our deliberations.

• (1955)

[*Translation*]

On behalf of my constituents of Haldimand—Norfolk, I want to tell Quebecers there is a desire on our part to make things right. I think Quebecers are being told lies about the position of English speaking Canadians in rural areas. My constituents would like a chance to sit down and talk with their French speaking compatriots.

People in Haldimand—Norfolk are proud of Canada, and they think we have accomplished great things together over the last few years. We would like you Quebecers to try to understand how we feel. Do not believe all the talk about English speaking Canadians being willing to let you go and not being ready to compromise. We are ready. Let us get together and talk about it.

[*English*]

I am not sure, Mr. Speaker, whether you understood what I said. Perhaps you can read the translation afterward. I say on behalf of the people of Haldimand—Norfolk that we need to sit down, to throw away the rhetoric, to put politics behind us and to share our common values of what is Canadian. We can do that and at the same time we can work on what Canadians really want.

We can work on making the economy work. We can work on a health care system that is envied the world over. We can work on saving the environment. These are all very important issues that we need to address. We do not need to be talking about the Constitution at this time.

In our three–point plan we are trying to make sure that as Canadians and as legislators responsible for all of Canada and not just one region or one province, we make it very well known to Quebecers that we love the country, that we need them as a part of the country for it to be strong and that we recognize their distinctiveness. We recognize they have a distinct and different language from that of a lot of Canadians. We recognize they

have a different culture and a different legal system. I only wish the opposition party, Her Majesty's Loyal Opposition, would recognize it.

The Acting Speaker (Mr. Kilger): I assure the hon. member for Haldimand—Norfolk that I understood every word and I take the liberty to compliment him on his effort to speak in the other official language.

[*Translation*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, I am pleased to take part in tonight's debate on the Prime Minister's motion concerning the recognition of Quebec's distinct society within Canada. In supporting this motion, I would like to talk, first of all, as an Acadian from Nova Scotia. As you know, Acadians were among the first people to settle in Canada after the First Nations, and, since the founding of the first settlement at Port–Royal, four centuries ago, we have had our share of upheavals, struggles and turmoil.

• (2000)

Protecting our language and culture has never been easy. We have had to fight, and we still do, to get our share of recognition. But we realized a long time ago that our chances of survival as a cultural community were much better if we joined forces with the francophones of Quebec, Manitoba and elsewhere in Canada.

We know that the preservation and blossoming of our language and culture largely depend on our being part of a larger country which has been able to include our concerns as well as those of other cultural communities in a larger entity and a broader vision. This is Canada.

The Official Languages Act and the bilingualism policy have provided a concrete example of this broader vision of Canada.

I consider myself lucky to have had a chance to personally experience the distinct nature of Quebec. For four years, in the early 1980s, I was a student at Laval University, where I made a lot of close friends among Quebecers. I had a chance to have lengthy discussions with them about their vision and their place both within Quebec and within Canada.

I found that, in general, the distinct nature of Quebec and of Quebecers is not based on a separation from the rest of Canada, but rather on an affirmation of oneself and a feeling of solidarity that finds its expression and its soul in the vitality of the French language, as the singer–songwriter Michel Rivard says so beautifully: "The language of my heart is the heart of my life".

But despite all the political rhetoric and the sovereignist movement, the Quebecers that I know have a profound attachment to Canada. And I think that if all cultural communities across Canada can work together, we can contribute to the growth and prosperity of our wonderful country.

[*English*]

I have no trouble with the notion of Quebec being seen as a distinct society within the context of this motion. Nor do I see any contradiction in the notion that while not conferring special powers to the Government of Quebec, this motion is by no means symbolic, although it carries some important and powerful symbolism.

By recognizing the distinctive character of Quebec in its policies, its laws, its regulations and its programs, this motion provides one more prism among many others through which the Government of Canada commits itself to be guided in the development of its laws, its regulations, its policies and programs before they are enacted and as they are implemented.

The members of the Reform Party have a hard time understanding this because they do not really understand how modern government functions. When government policy is developed and presented before cabinet for consideration or when a change is made to a body of regulation or when a new law or program is adopted and advanced and presented before Parliament, it must be evaluated according to many different angles or dimensions. One of these is the balance of impacts of the program across gender lines, socio–economic lines, and regions and provinces so that the balance of these impacts is fair and equitable.

• (2005)

A good example of this is the legislation that was tabled last week by the Minister of Human Resources Development. In the package of information that accompanied the legislation creating the employment insurance program, one of the first tables presented is a table describing the financial impacts of employment insurance by province. No government would contemplate a major change in a program such as employment insurance without considering the impacts across provincial lines.

Another example of a prism through which government policy has to be evaluated is provided by the Charter of Rights and Freedoms, which since 1982 has been enshrined in the Canadian Constitution. The Canadian Charter of Rights and Freedoms ensures that laws and regulations and programs introduced by the federal government respect the basic freedoms and rights of Canadian citizens that we have enshrined in the Constitution through the charter.

A third example is provided to us by the official languages legislation enforced by the official languages commission for Canada and the whole policy and infrastructure promoting official bilingualism in Canada, which ensure that linguistic minorities in Canada, including Acadians and other francophone groups throughout the country, as well as anglophones in

Quebec, receive the recognition of their language and receive services in the language of their choice.

These are commitments the federal government has made for itself and for its programs. They are part of the prism through which all laws, regulations, and programs must be evaluated by the Government of Canada.

The distinct society motion the Prime Minister has brought forward this week will in a different way act as a prism and a guide and an opportunity for the federal government to commit and ensure that the programs and its policies reflect this particular cultural aspect of Canada, which is the distinctive character of Quebec in those very important categories of unique language, culture, and civil law tradition. That in a sense is the genius of the Prime Minister's approach to recognizing Quebec as a distinct society and putting into practical effect the application of that respect as far as the Government of Canada is concerned.

One of the reasons Canadians continue to be so supportive and have such great confidence in the Prime Minister of Canada is because largely through his great experience in government he has found a way to give concrete effect to the commitments and undertakings he made to the people of Quebec and to the people of Canada for change and for recognition of their particular place in Confederation in a way that does not violate the rights of other Canadians and the rights of provinces but acts as a positive discipline on the Government of Canada.

If other Canadians and provinces through the constitutional discussions choose and can agree on the enshrinement of such a principle in the Canadian Constitution, that would strengthen the notion of the distinct society we have adopted and will adopt through this Parliament.

[*Translation*]

I will conclude my remarks by saying that I know this initiative will never satisfy the separatist members of the Bloc Quebecois and the Parti Quebecois.

The Deputy Speaker: I am sorry but the member's time has expired. I now give the floor to the member for Beauport—Montmorency—Orléans.

• (2010)

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I can assure the hon. member who just spoke that it will never satisfy us.

"Whatever they say or do, Quebec is, today and forever, a distinct society". Those words were spoken by Quebec's federalist Liberal premier Robert Bourassa, the day after the failure of Meech. "The days of negotiating with ten or eleven parties around the table are over. From now on, only bilateral discussions will be held."

This goes to show that the federal Liberal government motion before the House today is nothing new. The concept of a distinct society was developed by the Quebec Liberal Party. Actually, it goes back to 1965 and the preliminaries of the Royal Commission of Inquiry on Bilingualism and Biculturalism, the Laurendeau–Dunton Commission, which used the term distinct society in a marginal note to the paragraph that defines Quebec society on page 103.

In a speech on May 9, 1986, Quebec Intergovernmental Relations Minister Gil Rémillard stated five minimum conditions which, if they were met, might lead Quebec to ratify the Constitution Act, 1982. Meanwhile, the Parti Quebecois was talking about a distinct people.

According to the Meech Lake Accord, in 1990, the Quebec National Assembly would have been responsible for protecting the duality and promoting the distinct identity of Quebec. We supported the Meech Lake accord because it was supposed to recognize the distinct identity of Quebec. This provision would not have the effect of lessening the existing powers of the federal government.

Basically, including this in the Constitution would be a way to make up for the affront we suffered in 1982, after Liberal Prime Minister Pierre Elliott Trudeau said in a speech on May 14, 1980, before the May 20 referendum: "We are putting our seats on the line, and if you vote no, this no will mean yes to a new Canada". The result was the unilateral patriation of the Constitution in 1982, with the help of the present Prime Minister.

To take a leaf from the book of the hon. member from Nova Scotia, how can we trust these people? Basically, what were we asking for? We were asking the judges to consider both concepts, the Canadian duality and distinct society, in their interpretations of the Constitution Acts of 1867 and 1982, the latter including the Canadian Charter of Rights and Freedoms, the Prime Minister's baby, as he keeps reminding us in this House.

At the time, the distinct society clause would have limited the centralist and standardizing tendencies of the Charter. When the Supreme Court ruled that certain sections of Bill 101 were unconstitutional, the Quebec National Assembly would have been able to adopt them again, if the distinct society clause had been accepted.

Another important event, involving a player we saw at work during the referendum campaign last October, was initiated by the Charest report, named after the hon. member for Sherbrooke, who is often conspicuous by his absence from this House, and the Charest report goes back to—

The Deputy Speaker: I am sorry to interrupt the hon. member but, if I have heard him correctly, the hon. member is not allowed to comment on a colleague's absence from this House. I

would ask the hon. member not to comment on any member's presence or absence.

Mr. Guimond: Thank you, Mr. Speaker. Once again, you have been vigilant and I withdraw my comment.

The purpose of the Charest report, published in May 1990, was to limit the scope of the distinct society concept, particularly by stating that the distinct society clause did not in any way restrict the effectiveness of the charter.

Right from the start, in May 1990, it was obvious that certain provincial premiers were uncomfortable with the idea of a distinct society. From then on, the Meech Lake accord began to experience some difficulty.

• (2015)

According to certain premiers, the semi–official nature of the distinct society concept could have led to the Canadian courts' not using that clause in interpreting the Canadian Constitution. Then came the Charlottetown accord, in which the constitutional importance of the distinct society was watered down into a set of eight fundamental characteristics defining Canada. How could the courts have seen their way clear in all of that?

We were led to believe that the notion of a distinct society ranked higher than the other fundamental characteristics. But the overall sparseness of the Charlottetown accord shows that the notion of a distinct society would not have had any real effect. This was already an indication that it was an empty shell. And that is why Quebecers voted no in the October 26, 1992, referendum on Charlottetown: because they considered that it did not give enough to Quebec. The other provinces voted against it as well, but because they considered that it gave too much to Quebec. Imagine!

I have just given a brief overview of Meech 1, Meech 2, the Charest report and the Charlottetown accord. I have never seen a box wrapped in Christmas paper without anything inside, but such is the case with the propositions of the Prime Minister, his Liberal team, and the "learned committees" he has set up to show Quebecers how much he loves them.

Nothing in this motion recognizes Quebecers as a distinct people. As we know, a motion of the House of commons has no legal value, let alone a constitutional one. The motion introduced by the Liberal government is an empty shell that will have no legal or political impact. It is an act of panic aimed basically at deceiving those who want real changes to Quebec's status.

Fortunately, Quebecers can see through all this and pick out what is truly good for them. The Prime Minister's reaction in introducing this motion tells us there is a terrible threat. He kept the phrase "distinct society" because it would have been difficult to do otherwise, but he did all he could to strip it of its meaning. Just imagine. The Liberal government's proposal was considered unacceptable even by Quebec Liberals, whose leader, Daniel Johnson, recently asked that the distinctive character of Quebec be entrenched in the Constitution.

The definition of distinct society proposed by the Prime Minister is identical to the one contained in the Charlottetown accord, which was rejected by a majority of Canadians and Quebecers. Furthermore, the definition proposed by the Prime Minister does not go as far as the one initially proposed in the Meech Lake accord. How could anyone in this House believe that we could not oppose such a motion? Come on. We are not idiots.

The government's motion to recognize the distinct nature of Quebec cannot, in any way, be considered an adequate response to the changes demanded by Quebecers during the October 30 referendum. We must bear in mind that, last October, Quebecers voted in favour of sovereignty in a very large proportion and that a majority of Quebecers, including some who voted no, were in favour of a comprehensive renewal of Canadian federalism.

Given that my time is almost up, I would like to tell you that we are in favour of sovereignty for the people of Quebec and that it is out of the question for Quebecers to negotiate agreements that even Daniel Johnson called, when referring to manpower training, cut–rate agreements.

• (2020)

Clearly, the federal government's proposals give nothing to Quebec.

To conclude, like many, I think that we must be careful not to undermine whatever good faith remains between the various parties. On the contrary, we should create links that will bring us closer to a partnership—

The Deputy Speaker: I am sorry, but the member's time is up. The hon. member for Chicoutimi has the floor.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, it is true that we are all making history in taking part in this debate, establishing the federal system's inability to renew itself.

I never thought I would rise in this House to speak on anything so empty as this motion on Quebec's recognition as a distinct society. This motion by the government is essentially an exercise in futility. It is complete and utter nothingness.

Since October 30, improvisation has prevailed in this House, so much so that the Quebec Ligue nationale d'improvisation now has pretty stiff competition.

Before October 30, constitutional matters were systematically off topic. We were told time after time again that Canadians

wanted to hear about the economy, work, jobs and job creation. But, surprise, the day after October 30, the sovereignist project was within a hair's breadth of becoming a reality.

A few days later, the federalist camp reacted hastily in the face of a potential victory of the yes side. In Verdun, we had the pleasure of a speech by the Prime Minister, which brought back memories. In 1980, on the eve of another referendum, another Prime Minister came to Quebec to make promises. The current Prime Minister was at his side.

On October 30, the federalist camp heaved a sigh of relief. The reality of the matter is something else, however. After their narrow victory, the federalists no doubt consulted each other and decided to react. And what a reaction! I said before that this smacks of improvisation. Two committees were created in this very House. But, all of a sudden, the Prime Minister himself announced the recognition of Quebec as a distinct society. To hell with the committees, he sidestepped his own creations and everybody else.

The distinct society motion, as it stands, is nothing more than idle talk and pure window dressing. It being only a motion of the House of Commons, it could be easily overturned at the whim of any federal government. There is nothing in the Constitution that recognizes Quebec as a distinct society. All this motion means is that, in the future, it will be possible to tell Quebecers: "You are distinct. Are you not happy? You are distinct." But giving Quebecers the means to act as a distinct people is out of the question, let alone seeing the Liberal government try its hardest to have this distinctiveness recognized in the Constitution. Again, this would be too much to ask.

But, come to think of it, what else could we expect from a Prime Minister who told this House last September that everybody knew that Quebec was distinct therefore it did not have to be enshrined in the Constitution. If this is how he reads last week's motion, then it is justified.

• (2025)

The Prime Minister would certainly need a history lesson. History teaches us that every time the federal government wants to do something for Quebecers, it ends up watering down its promises. This is akin to using the same coffee grounds to make five or six pots; what remains at the end of this process is like dishwater. That is what the government is doing with this motion. First Meech, then Charlottetown, and now the 1995 motion. There is nothing left; not much substance indeed. It merely encourages the legislative and executive branches of government to take note of the recognition that Quebec is a distinct society.

Unlike some Liberal members, we see the past as important. As the famous saying goes: what goes around, comes around. Quebecers know their history. They also know what they want. The Prime Minister's motion will go down in history mostly as another insult to Quebecers' intelligence, as an attempt to convince them that a simple motion could finally settle the issue.

This government is forgetting something else. Quebec's motto is "Je me souviens". On October 30, some Quebecers decided to give Canada a last chance. It was the last chance. Once again, they thought that Canada would recognize them as a people and give them the powers that go along with being a people. Unfortunately, they were once again in for a disappointment when they saw what was really being proposed: a motion that sets us back even further.

This motion was put together in a mad rush because the Prime Minister knows full well that he will be questioned by the official opposition. While, in 1980, Quebecers were represented by 74 Liberal members in the House of Commons, in 1995, it is quite a different story, since 53 Bloc members have been given the mandate by the people of Quebec to look after their interests. The Prime Minister knows full well that if he tries to delude Quebecers into believing that he is delivering the goods, we will be there to condemn him for it. The mandate we have been given by the people of Quebec was clear and it has become even clearer since October 30.

Where I come from, we have a saying that goes: "Rude awakenings are to be expected on the morning after". Never has the saying been so true as in the aftermath of the October 30 referendum. At the beginning of my remarks, I indicated that I never expected to have to speak on such an empty and meaningless motion, and I am sure that the people of my region agree.

This is another history lesson that Quebecers are not about to forget. It is also a lesson for those who thought they would give a last chance to Canada. But by dint of remembering, the people of Quebec will take action. I have no doubt about that. One day soon we will start writing the history of the people of Quebec.

The motion put forward by the Prime Minister is tasteless, colourless and odourless. Anyone who believes that Quebecers are a people must reject it.

• (2030)

[*English*]

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, I am splitting my time with the member for Ottawa—Vanier.

I was torn as I thought through what I would say tonight on this resolution. I am profoundly saddened that I am standing here and talking on this issue at this time in our history. We have so many issues to deal with in this country. However we are once more drawn back into a debate that at its roots is not going to put

bread on the table, is not going to do anything to alleviate poverty, is not going to create a job, is not going to enhance the capacity of people to work, to learn or to earn. It is a debate that if I understand what the members of the Bloc have been saying tonight is based on a constant bringing forward of a history that has not served them or the rest of Canada particularly well.

What confuses me is that shortly after I was elected to this Chamber I had several opportunities to travel into Quebec; one as a student in Jonquière. I spent some time there at the CEGEP studying French and meeting with the Bloc member for Jonquière who most hospitable. He took me around, showed me his constituency and introduced me to people there. We had wonderful discussions about what Canada needed to do to deal with the debt, with social programs and with all of the kinds of things that we talk about all across the country.

Some time after that I had an opportunity as a member of the HRD committee to go into Montreal, Quebec City, Lévis and Rivière–du–Loup to talk to people and receive submissions, in particular, about unemployment insurance but really all of the social programs that were encompassed in that rather large review.

Three members of the Bloc toured with us across Canada as part of that committee. We started in Vancouver and travelled right across the country. What struck me about that experience is that when we got away from the opening moments of the hearings, when the organized groups would come in and demonstrate, wave and shout and scream in Vancouver, in Toronto and in Montreal, and sat down with people to talk about what they were concerned about and what did they wanted to see the government do and what were the issues they wanted us to confront, I did not hear the word "Constitution", I did not hear the word "embarrassment", I did not hear the word "insulted".

I heard people talking about how we can help our kids get an education, how we can build skills, how can we find jobs. I heard people in Lévis and Rivière–du–Loup talking about being very concerned about their future and about the fact that their children were having to move out of town to find work. I heard unilingual French people saying the same things in those communities as unilingual English people were saying in Saskatchewan, Alberta and in my own province of Manitoba.

I do not mean to make light of what occurred. Any time 50 per cent of any area votes to leave a country as strong and wonderful as Canada, there is a problem.

I have talked about this with members of the Bloc. Lots of conversations go on in this House, some of them across the floor like tonight. I have a conversation two or three times a week in the gymnasium with the member for Quebec–Est. We talk about what is at the root of the concerns that is driving people in Quebec to want to leave Canada. I have had many long talks with the member for Mercier about her views of social programs in Canada or in Quebec. Frankly they are very consistent with my views of social programs in Quebec. To try to understand what is driving this desire to break up this country is something that has been very difficult for me.

I want to share with the members of the Bloc something that I hope will help their understanding of the feelings in other parts of Canada about this issue. When the Meech Lake accord failed to pass the Manitoba legislature, I was the House leader for the opposition. When the constitutional amendment was brought to Manitoba, there was a very detailed and thorough public examination of the proposals.

• (2035)

A committee was struck, with representatives from all three parties in the legislature. That committee travelled all over Manitoba. Committee members went to Indian reserves in the northern part of the province. They went to small rural communities in the north, the south, the east and the west and they spent many days in the city of Winnipeg, allowing Manitobans to come forward and speak to them about their feelings on the Meech Lake accord.

As a result, Manitoba put forward some amendments to the accord as it was then struck. When I hear the language used by previous speakers here about how people did not respect Quebec and how that was an insult to Quebec, I want to tell them that subject never came up in these hearings.

The Meech Lake accord says in subsection (2)(i):

> The Constitution of Canada shall be interpreted in a manner consistent with
>
> (b) The recognition that Quebec constitutes within Canada a distinct society.
>
> (3) The role of the legislature and Government of Quebec to preserve and promote the distinct identity of Quebec—

That was what the Meech Lake accord said, if I understood the members opposite correctly.

After holding hearings all over the province, after researching it, considering it, debating it, this is how the three parties in the Manitoba legislature said the clause should read:

> The Constitution of Canada shall be interpreted in a manner consistent with the recognition that the following constitute fundamental characteristics of Canada:
>
> (d) Quebec constitutes within Canada a distinct society;

In the Meech Lake accord the recognition is that Quebec constitutes within Canada a distinct society. The recommendation of all parties of the province of Manitoba was that Quebec constitutes within Canada a distinct society.

My province has recognized and supported that fact since 1990. This resolution, which calls on the House to recognize that Quebec is a distinct society within Canada, is simply consistent and affirms the very statements that the member holds up as an example of the things that Quebec wanted. It is the very thing that the three parties in the legislature and the people of Manitoba were prepared to support and the very thing that the Prime Minister asks us to support now.

When I look at the role we have as legislators, there are six practical things we do. We pass, amend or rescind legislation. We deal with expenditure or the withholding of expenditure, the cutting of expenditure. We regulate. However, there is an intangible thing we are called on to do in the Chamber and that is provide leadership.

It is time we began to talk about not how we drive this country apart, but how we pull it together, how we collectively provide some leadership that will improve the lives of people in this country, not harm them.

[*Translation*]

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, my speech this evening is entitled *An open letter to my Quebec kissing cousins*. They know who they are.

First, I want to thank these cousins for the discussions we had during the referendum campaign. One of them was in charge of the yes side in her community, in the lower St. Lawrence region. We had a brief conversation, two days before the referendum, in a very serene and pleasant atmosphere.

The other two had me over for dinner, in a Montreal suburb, on a stormy fall evening. Inside, there was also a storm raging. It was a storm of ideas, concepts, rebuttals and assertions. In short, it was a very pleasant evening, and I thank them.

That evening, we discussed the Constitutional Act of 1982, the Meech Lake accord, as well as issues such as overlap, duplication, immigration, and the French language in North America, Canada and Quebec. Of course, we also talked about the distinct society.

• (2040)

Today, I find myself participating in a debate revived last Wednesday by the Prime Minister and the Leader of the Opposition. That day, I listened very carefully to the speech made by the opposition leader. If I do not call him by name, dear cousins, it is not out of disrespect, but because the rules and the tradition of this House prevent me from doing so.

As I said, I listened carefully to what he had to say. Several of his statements are so skilfully crafted that you have to stop and think for a minute or two to figure out what he means, especially when he is talking about the Constitutional Act of 1982. Here are some quotes from the speech he made. "One of the things the 1982 Constitution effectively introduced into Canada and Quebec's legal and political landscape was the notion of a single country, a Canadian nation—this was a first".

And he added: "This was the first time constitutional and legal texts talked about Canada as a single nation, the nation of Canada. The corollary, needless to say, was that Quebecers found their existence as a people being denied, implicitly, if not explicitly".

Finally, he said, and I am still quoting: "—but it never occurred to me that, someday, a democratic Canada, English Canada, a nation that is open, tolerant and respectful of individual rights, could actually rely on its weight to crush Quebec's wish, tear up the Constitution agreed upon by our forefathers in 1867 and replace it with another constitution that was not recognized by Quebec but imposed on Quebec, a constitution repudiated—" I could go on and on.

I could spend hours proving that the Constitution was not replaced or torn up, that not all Quebecers repudiated this Constitutional Act, as the Leader of the Opposition would have you believe. But by doing this, I would be getting into an argument with some politicians. For now, I would rather talk to my cousins.

In the face of such a condemnation of what happened in 1982, I thought it was time for me to reread the Constitution Act of 1982, which I did. I looked everywhere to find some hint of the crushing he talked about and that some people would like to make a part of the historical bagage of Quebecers, but I could not find it.

I looked everywhere to find where it says that the existence of Quebecers as a people was denied implicitly or explicitly, with the same result, but I could not find a thing.

I looked everywhere to find the provision that says that English Canada—and I will come back to this irritating expression a little later on—relied on its weight to crush Quebec's wish. Again, I could not find it.

So we have every reason to wonder, Mr. Speaker and dear cousins, whether these remarks were intented to perpetuate and to reinforce a myth that has been created and spread by separatist forces.

Dear cousins, I have a question for you. What bothers you in the Constitution Act, 1982? Is it the entrenchment in the Constitution of your fundamental freedoms, such as the freedom of conscience and religion, the freedom of thought, belief, opinion and expression, including the freedom of the press and other communications media? I do not think so.

Is it the freedom of peaceful assembly? I do not think so either. Freedom of association? I doubt it. Is it the entrenchment of your democratic rights, your mobility rights or your legal rights? I do not think so. To this day, I have not met one Canadian, or one Quebecer for that matter, who is against these rights.

Is it the entrenchment in the Constitution of French and English as the official languages of our country then? Does it bother you so much? Or is it the fact that the concepts of equalization and regional disparity, two typically Canadian concepts that continue to serve Quebec well, were included in the Constitution?

I still fail to see what is the cause of this national humiliation the advocates of independence have talked so much about. Based on the points I just mentioned, how has Quebec's wish been crushed?

Dear cousins, on the autumn evening when we met, I really appreciated our ability to speak frankly, directly and with mutual respect. So I ask you to consider carefully and as objectively as possible the following question: what bothers you personally about the Constitution Act of 1982?

• (2045)

There is something else I would like to say, and I referred to this earlier. The term English Canada, which Bloc members and their leader are using indiscriminately these days in a poorly disguised attempt to keep erecting walls between Canadians, cropped up at least a dozen times in the speech made last Wednesday by the Leader of the Opposition.

Well, I want to ask Bloc members who are constantly complaining, loud and clear, about the general lack of understanding of the Quebec society, to please stop ignoring a million French Canadians who do not live in Quebec. We would appreciate some respect.

In fact, the term is not accurate since New Brunswick is officially bilingual, probably another humiliating result of the Constitution Act of 1982. The Bloc likes to speak in separatist terms, and it is pretty obvious why. I hope you, my cousins, are not fooled. You know, in northern and eastern Ontario, there are a lot of French Canadians, including your own cousins. Some day, we should discuss how certain expressions evolved and why, hardly a generation ago, we were all French Canadians, and today, we are Franco–Ontarians, Québécois, Acadians, Fransasquois and so forth.

Maybe we should invent new hyphens, new links, with all due respect for the late John Diefenbaker. I agree, we are all Canadians. But as such, we all have one or more links elsewhere. Some are new Canadians, others are English or French Canadians. In this great country with a strong tradition of tolerance and openness, there is room for everyone, even communities that form a distinct society.

When you think about it, the hyphen is a symbol that seems tailor–made for Canada. Are we not one of the hyphens or links between France and the United Kingdom, between Europe and the United States of America? We see those links throughout our history, between Lower Canada and Upper Canada and even in the Act of Union.

The beauty of the hyphen is that it manages to link two entities that are sometimes entirely distinct. Is this not the very essence of Canada? Squaring the circle, duality in unity? My dear cousins, you will agree this would make an interesting subject for our next meeting. Meanwhile, let this House recognize the distinct identity of Quebec society by voting for the motion presented by the Prime Minister, a motion which, at the very least, is a step in the right direction. That being said, my dear cousins, I remain, yours sincerely.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise to speak in opposition to Motion No. 26, which is the motion put forward in the House by the Prime Minister. I will oppose the motion unless it is amended, as was suggested by my leader, the hon. member for Calgary Southwest.

I am concerned that the federal government has used closure to limit debate on something as important as how Canada functions, how we respect and treat one another, and whether or not the principle of distinct society is a worthwhile course for us to follow as a nation.

The whole idea of using closure, or time allocation, has been addressed many times in the House. I will not condemn it at length. I will just repeat that I believe it is wrong. I know that members opposite, when they sat in opposition, declared that it was wrong. The hon. member for Kingston and the Islands called it morally wicked if the Mulroney government introduced time allocation and closure. Yet the Liberal government has introduced this procedure far more often than the Conservatives did under Mulroney. The Liberals do not even bat an eye. They think there is nothing wrong with limiting debate on important issues that do not need to be dealt with in an emergency when the national good is at stake.

When we talk about distinct society it brings back memories. I first remember hearing this phrase discussed in the debate on the Meech Lake accord. Perhaps it was coined before that, but I was not aware of the phrase until the Meech Lake debate. Subsequently, it was a bone of contention when the Charlottetown accord was put forward and voted on in a national referendum in Canada and defeated.

• (2050)

It is interesting that the reason the Meech Lake accord never did pass is because of a member who sits in our midst. While there was opposition to the Meech Lake accord in the province of Newfoundland with its premier and there was resistance in the province of Manitoba with the government there, the one member at that time in the Manitoba legislature who probably had more impact on bringing down the Meech Lake accord than any other Canadian was the hon. member for Churchill, who now sits in the House.

It is interesting that the member for Churchill, in recognizing other problems the aboriginal people of Canada face, has called a sacred assembly. As a people they are doing some soul searching. They are even looking for inspiration from higher powers than themselves to solve problems facing the aboriginal people.

Maybe if we as a nation started to reflect on the one we recognize in our Constitution as the supreme authority, perhaps we would be better off than spending all this time trying to confer special privileges, rights, or distinct society, whatever that may mean, on a group of individuals. The Constitution calls upon us to recognize the supremacy of God. If we have the correct interpretation of how this almighty person looks upon the world, he looks upon us with the same eyes regardless of our language, our race, or our culture. I believe we are all equal before him. We are all special, but certainly I do not expect he would suggest that any of us are distinct or in some way deserve privileges the rest of us do not.

I want to talk a little about why I am concerned about the phrase distinct society. I am a little concerned about how it may be interpreted in the future. Quite frankly, I do not trust the Liberal government when it proposes that this really does not mean anything.

I am reminded of a Liberal politician in the past who when he spoke in western Canada would not speak in glowing terms of the national energy program. This subject seldom came up because this Liberal, being a fairly knowledgeable and experienced politician, realized that western Canadians were aware that the national energy program had siphoned billions of dollars out of the western Canadian economy and into the federal treasury and the same proportional benefits were not returned to the people who owned the natural resource. Natural resources of course are a provincial jurisdiction.

This same experienced Liberal politician would go into Atlantic Canada, far away from the west, and expound on the virtues of the national energy program. I saw this on television one day. The wonderful thing about television is that sometimes it captures the things you say and it is recorded and broadcast in other parts of the country.

I realize that we have to be careful that we are consistent with our message in all parts of Canada when we are dealing with an issue, whether it be the national energy program or whether it be distinct society.

I have the uncanny feeling that when we are talking about distinct society the message being conveyed to the province of Quebec is not the same message that is being conveyed to other parts of Canada. The message to Quebec is that this will meet their aspirations. This somehow will confer on them some feeling of being a nation, meet demands that have been made by the separatists. Somehow these demands will be met and their feelings of nationalism will be appeased by recognizing them as a distinct society.

Then in the rest of the country the message is a bit different: Distinct society does not really mean anything, it is just an acknowledgement of something that already exists; it is no big deal, nothing to be worried about, and it might keep the country together.

I doubt that very much. It does not seem to make sense to me that you can convey one message to Canadian citizens in the province of Quebec and another message outside of the province. Something does not fit. Rather than question the message, we have to question the messenger. I do not think they are dealing a fair hand to Canadians when they describe the distinct society.

We really have to be concerned about how this term distinct society will be interpreted in the future. We can sit in this House and the government and the Prime Minister can say distinct society means this or that. But we know this term will be interpreted in the future by the courts and by future governments, so we have to be concerned about how distinct society is defined.

• (2055)

Actually I cannot find any place in Motion No. 26 or in any other information that tells us exactly what distinct society means in this case. We are told it includes the French–speaking majority. It does not say anything about any other Quebecers. We are told the House will be guided by this distinct society phrase. We are told the House will encourage all components of the legislative and executive branches of government to take note of this recognition and be guided in their conduct accordingly.

To me that sounds like a blank cheque. That is saying let us adopt the phrase distinct society, hang it over the door of Quebec, and then we will try to pursue it with diligence and all our effort without knowing really what it means. We will interpret that in the future. We will let future politicians and future governments, perhaps even separatist governments, define the phrase distinct society for us. Just trust us, it will work out all right, that is what they are saying.

That concerns me very much as a Canadian, because I realize that when we are talking about the future of our country we are not talking about today only. We are not even talking about the people who make the decisions in this House and in the legislative assemblies of the provinces across the land. We are talking about the decisions that will be made in the future by parliamentarians and by people in the various legislatures, including possibly a separatist government in the province of Quebec.

I want to deal with this whole idea of conferring special status or rights on any group of society. Why would we do that? There are three reasons we might do that. The first reason is because these people are inferior to us and they need some kind of assistance. I do not accept that for the province of Quebec. I see them as my equals. Second, we can say that they are superior and they deserve some special status. I do not accept that either. I see them as my equals. Thirdly, we could say that because some of their ancestors were here before some of our ancestors they deserve a higher rung on the ladder. I do not accept that. Wherever we come from, we should all be treated equally. None of us should have any special status conferred upon us. Therefore, unless we accept the Reform amendments I cannot support the motion.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I appreciate the opportunity to speak to Motion No. 26 today, as it will have a profound impact on the future of our country if it is adopted.

Let me state my position quite clearly. As a Reformer, as an Albertan, as a Canadian and as someone who considers Canada as home, I cannot support distinct society for any province. I cannot support elevating one province over another, and I am not prepared to separate the haves from the have nots. I believe in equality and fairness for every man, woman, and child in this country regardless of their race, colour, creed, origin, or abilities.

To say that this motion is ill conceived is a euphemism of the first order. This motion is an unmitigated disaster, an affront to the House, a disgrace to the country and misrepresents all Canada stands for.

It is our duty today to govern this country with democracy, freedom, and equality as our guiding lights as we build on the past and lay the groundwork for the future generations. We have to be accountable for our actions today, just as those in the past have been judged by history for their actions.

There have been defining moments in history that were hailed as great achievements, yet history found them to be shallow and empty gestures that in hindsight would have best been left undone. I think of 1938, when Mr. Chamberlain promised us peace in our time as he waved a document that was, as I called it, a one–sided agreement. One year later, his proclamation for peace was trampled under the jackboots of an army that marched across Europe.

• (2100)

In 1982 the prime minister of the day proclaimed a new Constitution for the country that he said would last for 1,000 years. But that Constitution did not have the signature of Quebec, and like Mr. Chamberlain's declaration for peace in 1938, this Constitution was a one sided agreement.

I hear the historians of tomorrow calling this motion a one sided agreement that will not stand 1,000 years and will not even buy peace in our time. Today we are debating a motion which the government promises will bring peace and harmony to the country. As in 1938, the motivation for this motion is appeasement, not resolution. This is an offer to Quebec, not an agreement with Quebec.

Let us look at the proposed motion. The government wants the House to affirm a distinct society in the province of Quebec. Distinct society is not defined. Those who have demanded recognition as a distinct society in these last few years have not demanded recognition as a medal to be worn with pride but as a lever to exert more power, more advantage and to receive preferential treatment at the expense of the rest of Canada. Let us not lose sight of that fact.

The government mistakenly believes that talking about an issue, making statements about an issue, is equivalent to resolving the issue. Our debate today is a prefect example of that hypocrisy. In passing this motion the Prime Minister believes he will have achieved peace in our time. We know today Quebec is not satisfied. We know today the leaders of the separatist movement in Quebec will brush this gesture aside and march on.

What faith do we have today that this agreement will buy peace within Canada, harmony within Canada and build the structure for a united Canada while the forces of separation organize and marshal their resources for another assault on the unity of the country? We have none.

Alberta and British Columbia have been vocal over the years in their demand for change within this united federation, but they have voiced their concerns in a true and democratic way of working in a positive manner to achieve change. Both of these provinces are designated as have provinces within the equalization formula. Both of these provinces have contributed billions over the last few decades to the promotion and protection of this Confederation while they continue to live up to their commitments without demands that they receive the benefits equal to their contribution to the country.

If we are to have peace we need goodwill and commitment by the parties involved, not a simple, frivolous motion debated in the House produced at the whim of the government, all in the false hope that one single motion is a panacea to several decades of dissent.

The Reform Party has proposed three simple amendments to this motion to give it strength and focus. First, the government is asking that we recognize Quebec as a distinct society. We as Reformers say that is fine provided we recognize this is not to be used as a lever for more power and privilege at the expense of other provinces. Surely our amendment confirms the very heart of any federation, any family and any society that wants to survive today: equality for all.

• (2105)

Second, we recognize the French speaking majority, culture and legal traditions in Quebec. They are a fact of life which exist each day. However, we also recognize the great promise of the

new world which guarantees equality for all regardless of who we are, what we are and where we came from.

Third, while we undertake to be guided by the reality of a distinct society and recognize that fact, we also undertake to be guided by the reality and recognize that this nation is one nation, from sea to shining sea.

Changes to the Constitution and the devolution of federal powers is a manageable process, but it is being managed in a most disgraceful manner by the Liberal government. The Reform Party knows that Canada can work together, will work together and, with real leadership in the country, will stay together. Leadership requires vision and a clear statement of the way to the promised land.

In the face of the challenge to break up the country the Reform Party has responded with a call to action with a plan and a program. A strong and proud Canada will move forward only when the leadership of this great nation articulates a clear vision for the country which is created by, endorsed by and supported by the large majority of Canadians and provinces.

This motion, in the way it is presented, is not the answer.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it is a great pleasure to enter the debate on Motion No. 26, which would recognize Quebec as a distinct society.

As we listen to the opposition parties we are wondering just what we are doing here. A distinct society will not cause the price of gasoline to go up. It will not affect our paycheques. It will have little or no effect on the lives of Canadians.

I have taken the opportunity to do a mailing to the constituents of Durham. I am happy to say that a good many of them are responding on how they feel about this issue. Their main concern is they want to keep the country united and strong. However, they have limitations. They do not think it should be done at any price. They are concerned that we respect the civil rights of all people in Canada. This motion will not inhibit the civil rights of individuals within the province of Quebec.

People are prepared to recognize each other as being distinct. However, it is an unusual concept for a society to recognize one element as being distinct. Clearly that means the other elements must also be distinct. There is a polarization of understanding. I believe that is healthy. It is useful within our system.

As I was coming to the House tonight I thought about all the debates and arguments caused by these two words in the last two or three decades. I wondered what would happen if we all collectively went to bed tonight and got amnesia. We would forget about our past. We would forget about our history. We would forget about we were doing when we lived together.

• (2110)

What would happen when we woke up tomorrow morning? We would find that we still have this huge country, the second largest nation in the world. We would discover that within that nation there were different linguistic groups: some French, some English, some others.

We would find that over a certain period of time they had entered into agreements with each other, individuals. That is all government is about, contracts and agreements between people.

We would discover that we had built a caring society, that we had developed medicare systems, unemployment insurance systems, pensions for our elderly. We had built all of these things, a social fabric, and we called it Canada.

We also did some other things. We also borrowed a lot of money to pay for some of these social programs in periods when our revenues could not sustain them. We would discover as we opened the books that we had huge debts; some of them federal, many of them provincial, but all culminated in a huge bill we all had to pay.

Having looked at these aspects, we would also see we had inherited tremendous resources. We had inherited the forests, the mines, the rivers. We had inherited a country of mountains, of lakes, from sea to sea to sea, and that we all together shared this great nation.

It seems to me we would be hard pressed to discover what we did not like about each other. We would be quite respectful with each other and humble to live in such a country. We would discover we were willing to respect the cultural integrity of the numerous groups that live within that country; that our objectives were not to overpower or overwhelm another culture but to co–exist.

I am sure we would look at the calendar and would see we were approaching the 21st century. We would look at our debts and we would look at our resources and we would try to see how we can live together and work together as we approach the 21st century. I am sure we would find a solution for that.

The other side of the coin is we do not have amnesia and so what have we forgot? We probably forgot the negative parts of our history. We forgot about the Plains of Abraham. We forgot many other aspects about the existence of Canada today. We probably forgot about some of the symbols we display so proudly, which are really symbols of a bygone day. They are symbols of our heritage, and not something we want to get rid of; we want to evolve as a nation.

It is clear to me as I travel throughout the country that people no longer understand what the governor general stands for or represents. Ever since being elected to this place, one of the things I enjoy doing, at least initially, is going around to our high schools and presenting the governor general's award. The

governor general's award is presented to the highest scholastic student in a secondary school each year. I have many high schools in riding and I do many of these events.

When I am handing out that award I ask those people to name the governor general. In two years none of these academics has been able to name the governor general. If our institutions of government have become so irrelevant maybe they should be changed.

If we want to enter into and renew our partnership links, both of these cultures have to adjust for each other. I question some of my brethren in other parts of the country who want to cling to the status quo, our symbols of the past.

• (2115)

Two days ago I was surprised to hear my Reform colleagues arguing about changing the coat of arms of Canada in such a way that it states we want to work toward a better country. Can we imagine wanting to stick to the status quo to the point where we could not see that simple change as being useful? I would like to change a lot of other things in the country. I know many people respect the monarchy. Indeed that is part of our past and is something we cannot erase.

It is time to change some of the symbols of Canada. I have no problem with our currency reflecting distinctly Canadian symbols.

It was interesting to watch the referendum in Quebec. It was my privilege to be at the Montreal rally and see the oui signs which showed that side of the loonie depicting the Canadian loon. I ask some of my colleagues in the House whether that tells us something. Does it not tell us that if we want to evolve as a country we clearly we have to evolve together?

It would be very good if we could all get collective amnesia, put to one side some of the things in our past that we are not happy with and recognize the true strength and wealth of the country. Basically we should get along together. We have many problems. Our deficit is a tremendous burden. It is much like having a huge mortgage in a marriage and not being able to afford a divorce.

The people out there should remember that we are not talking about giving away the farm. There is very little expense, but the bottom line is that it is time to change our nation.

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I am pleased to rise this evening to speak to the resolution which recognizes that Quebec is a distinct society because of its majority French language, its culture and its civil code legal system.

A month or so ago our country was brought to a precipice by the referendum in Quebec. As I campaigned in Quebec during the referendum, as I talked to people in Quebec and thought about what was happening there, it was frightening that we had failed to understand each other. People outside Quebec did not have a good understanding of the concerns of Quebecers, how sincere they were in their concerns about the preservation of their language and culture within this huge sea of English that is North America. With the huge English area surrounding Quebec, including the U.S. and the rest of Canada, Quebecers have a very real concern about it.

I found a lack of understanding among some francophone Quebecers of the point of view of people outside Quebec and of their love for Quebec. There was a misunderstanding among them of how the rest of Canada would react to a yes vote in Quebec. The consequences would have been severe for all of us. Certainly there was a failure among Bloc members to recognize that. This reminds me that we almost lost a great country.

• (2120)

We must remember that Canada's position in the world is a very important one. It is one that is widely respected. Why is that? We are respected as a peacemaker and a peacekeeper around the world. We are respected because we provide an example to the world of living peacefully with differences. It is a great example. We are respected widely for our exercise of the art of Canadian compromise.

A few weeks ago I was watching a CBC television program during which Allison Smith was interviewing Israeli prize winning author Amos Oz. It was interesting to hear him talk about his work. His novels have always tried to bring together the two sides, the Palestinians and the Israelis.

He was talking about the need for compromise and the need to work out solutions in that country. He talked about the example of the Israelis and the Palestinians. He pointed out that on the one hand the Israelis had always looked upon the land in the area of the West Bank as being very important to their nation and a very important part of themselves. It is essential to them to have that land for their country. On the other hand the Palestinians look at that land as being essential to their nation, an essential part of themselves.

As he pointed out often, we feel we have a misunderstanding but if we talk enough we can work out the problem. However there was not a lack of understanding on the two sides. There was an understanding but the problem was that they both wanted the same thing. There was an impasse and a conflict.

As he also pointed out, when people realize there is that kind of conflict eventually they come to the realization that the only

logical, rational response is a compromise. His phrase was that compromise is life and life is compromise.

Surely any of us who is married will understand that is true. Life is full of compromises. Certainly a marriage is made up of compromises. How can we have one without compromise? It is a very important part of a healthy marriage. Compromise is an important part of living with differences, as is all of life.

We have to recognize that we have different points of view in the country and that we have to find compromise between those points of view.

Some people have the idea that the country is made up of two founding linguistic groups. We also have the point of view on the other side that suggests that we are 10 equal founding provinces. These are two different points of view. Somewhere in the middle we have to find some common ground.

[*Translation*]

We are familiar with the history of the Maritimes. In 1867, the two big provinces, Nova Scotia and New Brunswick, joined with Quebec and Ontario in the Confederation. At that time, Nova Scotia and New Brunswick had very powerful economies, stronger than Ontario and Quebec. Obviously, from our point of view, in Nova Scotia for instance, the agreement involved equal provinces, equal partners.

But there must be an understanding of the historical links between Lower and Upper Canada, Ontario and Quebec, with their two main language groups. Those groups joined forces to create this country. The two are part of one reality. Neither one nor the other represents reality; the two together do. But there are different understandings of what this country is, and it is difficult sometimes for those who understand things one way to understand the other point of view.

[*English*]

I want to talk for a moment about the word distinct which was dealt with in the resolution. According to the definition in *The Concise Oxford Dictionary* it is an adjective and has three different meanings:

> **1 a** not identical; separate; individual. **b** different in kind or quality; unlike. **2 a** clearly perceptible; plain. **b** clearly understandable; definite. **3** unmistakable, decided.

A lot of francophones do not realize that in English the word distinct is often thought of in terms of the word distinguished, which suggests some sort of superiority or a heightened level. When we talk about a distinguished person, it is a person who has achieved a high level in life. In the past that has created a problem in Canada.

• (2125)

[*Translation*]

The difficulty with defining the word "distinct" is to make both sides, anglophones and francophones, see that it is used differently in both languages. That was a problem I encountered when I visited Quebec. I was talking with some students at Saint–Jovite and a girl asked me: "Why do the anglophones not look up the definition of the word "distinct" in a French dictionary. In French, it means "different"; there is absolutely no suggestion of superiority".

But back in Nova Scotia, in my riding of Halifax West, when I talk to the people from down home, they ask: "Why will the francophones not consider the definition and meaning of the word "distinct", because it has a different meaning in English?"

You can see that it is hard to see the other side's point of view, or for them to see ours. It is always hard. The answer is not to separate but to communicate and find a compromise.

[*English*]

Whenever we have an impasse or a deadlock the only solution is a compromise. In the measures we brought forward this week is a compromise. For example, we know that Quebec wanted a veto for itself over constitutional change. We are providing in the system of how we govern the federal government's approach to the matter a veto to four regions, not just to Quebec. We also recognized in the resolution that Quebec is a distinct society because of its culture, its language and its civil code. This is an important compromise for the country. Together they form an important compromise position that will help us bridge toward the constitutional conference in 1997.

This is not a constitutional change. Constitutional change is not precluded or prevented by these measures. It will be up to those who meet at the conference in 1997 whether or not they wish to make future changes to the Constitution. That is left to the future for now.

People in my area are saying: "Let's deal with it quickly. Let's deal with it in a nice, clean manner and set it aside for now so we can focus on the real problems of the country".

Is Quebec distinct? If Quebec were to separate it would be as distinct as Mexico from the other provinces of Canada. It has a different language and a different culture in many ways, not in every way, from the rest of Canada. The majority language there is different. We cannot say that about any other province. It is clearly distinct in that way.

Does this make Quebec superior? No. Does it recognize and celebrate our differences? Yes, it does.

The Deputy Speaker: The hon. member's time has expired.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, like my colleagues in the Bloc Quebecois, I am pleased to rise in the House today to speak on the motion to recognize the distinct nature of Quebec society.

Before speaking on the motion, as such, I would like to refer to a short passage from the *Practical Guide to Private Members' Business*, which defines what is a motion. It says that the effect desired is the first consideration in deciding between a bill and a motion, that in passing a motion—as is the case here— stating a resolution, the House expresses a wish without committing the government to a particular measure or direction.

A wish is expressed, which does not commit the government to a particular measure or direction. It is important to remember that this is what the motion is directed at. The guide goes on to say that, on the other hand, a bill passed by Parliament may have major implications for both the government and the public.

But there is no cause for anxiety. This is not a bill, it is a motion, that is to say a wish that does not commit the government to a particular measure or direction; in other words, it does not amount to much.

I would also point out that, in this House, a motion was passed on December 13, 1994, which reads as follows: "That, in the opinion of this House, the government should officially recognize the historical contribution of the patriots of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government".

• (2130)

This motion was passed on December 13. What action has been taken to implement this motion since? None, none whatsoever, because it was idle talk that did not commit the government to anything.

Let me remind you that a motion recognizing hockey as our national winter sport and lacrosse as our national summer sport was also passed. What action has been taken since? The Canadian lacrosse team's budget was eliminated. Completely. What good is a motion? It does not mean a thing.

Besides being meaningless, the motion is contradictory to begin with, because it reads in part, and I quote:

> That—the House recognize that Quebec's distinct society includes its French-speaking majority, unique culture and civil law tradition;

"Unique culture". Just this afternoon, my hon. colleague from Rimouski—Témiscouata asked the Primer Minister the following question:

> Mr. Speaker, my question is for the Prime Minister. Yesterday, government members of the heritage committee maintained that there was no such thing as a Quebec culture—

Now this motion says that we in Quebec have a unique culture. Unique means that it is exclusive to Quebec, if I am not mistaken.

Yet government members maintained that there was no Quebec culture, only one great big Canadian culture. It seems to me that their position flies in the face of the motion these same members are about to vote on.

And what was the Prime Minister's answer?

> Mr. Speaker, there is a French culture in Canada, which is Canadian.

There is only one culture in Canada: the Canadian culture. That is what the Prime Minister said. On the other hand, the motion tabled by the Prime Minister himself, seconded by his Deputy Prime Minister, recognizes that there is a unique culture in Quebec. It reads:

> That—the House encourage all components of the legislative and executive branches of government to take note—

—it does not say much, "to take note"—

> —of this recognition and be guided in their conduct accordingly.

What did the Prime Minister do this afternoon? Just the opposite. The opposite of what? The opposite of what a meaningless motion says to do. Is there any doubt about that? I will let you be the judge of that, Mr. Speaker.

Yet, during the referendum campaign, the Primer Minister repeated time and time again that he would positively not address constitutional issues, but deal with the real problems instead, namely job creation and deficit reduction. How did we end up debating this motion then? Because they were afraid. They looked at the polls and realized that they were losing ground. Faced with rising support for the yes side in opinion polls toward the end of the campaign and with the possibility of losing the referendum, the Prime Minister suddenly changed his mind. He set up a smoke–and–mirrors operation aimed at convincing the people of Quebec that the federal government was committed to making major changes to the current federal system after a hypothetical no.

The fact that this strategy was improvised from beginning to end was, of course, reflected in the Canadian Prime Minister's ambiguous and meaningless comments in the final days of the referendum campaign. On October 24 in Verdun, he said, and I quote: "Quebecers want Quebec to be recognized within Canada as a distinct society because of its language, culture and institutions. I have said it before and I say it again, I agree". Yet, he tells us today that there is only one culture in Canada, although his motion says that Quebec has a distinct culture. It is no big deal, he has a right to be mixed up.

The Liberal government also felt pressured to deliver on its vague promises to change the federal system following the razor–thin victory of the no side on October 30.

• (2135)

To do so, it set up two phoney committees. One of these committees was chaired by the Minister of Intergovernmental Affairs. Its mission: to save Canada. What a nifty little mission.

On November 29, even before the committee tabled its findings, the Prime Minister hastily announced three initiatives aimed at satisfying the desire for change expressed by the vast majority of Quebecers.

As far as recognition of Quebec as a distinct society is concerned, however, these efforts are not very impressive. But, before going any further, allow me to read the motion:

Whereas the people of Quebec have expressed the desire for recognition of Quebec's distinct society;

(1) the House recognize that Quebec is a distinct society within Canada;

(2) the House recognize that Quebec's distinct society includes its French–speaking majority, unique culture and civil law tradition;

Perhaps my English is not so good, but to me, "unique culture" means a culture that is different from others.

(3) the House undertake to be guided by this reality;

(4) the House encourage all components of the legislative and executive branches of government to take note of this recognition and be guided in their conduct accordingly.

In other words, this is just the opposite of what was done this afternoon.

Upon reading the motion, we realize that it is merely a recognition of Quebec society as it is now. It simply reflects a mathematical reality.

Nowhere in this text is there any mention of additional powers being given to Quebec. The minister himself said it did not provide powers to Quebec. He is an honest man.

This motion is meaningless, an empty shell. It is merely a symbolic recognition of what we already know, namely that we are different from the rest of Canada. Even the Prime Minister said so.

The fact is that the recognition of Quebec's distinctiveness, as currently proposed by the Liberal government, is light years away from what was proposed in the past.

Indeed, during the 1986–87 federal–provincial negotiations to get Quebec to sign, with honour and enthusiasm, the Constitutional Act of 1982, the Liberal Party of Quebec made a demand, as part of its June 1985–86 political agenda. This quote is for the benefit of the Quebec Liberals who hold a Liberal party membership: "The Liberal government is asking that a statement be included, in a preamble to the new Constitution, to explicitly recognize Quebec as a distinct society and as a cornerstone for the French element of the Canadian duality".

That was not written by nasty separatists in their political agenda, but by the Liberal Party of Quebec.

These proposals from the Liberal Party of Quebec led to the Meech Lake accord. Although the concept of distinct society in that accord was not worth much, at least it was entrenched in the Canadian Constitution. Moreover, the distinct society clause was interpretative. Therefore, the provisions of the Canadian Constitution had to be interpreted based, among other things, on that clause. Consequently, today's motion on the concept of distinct society is very far from what was agreed to in the Meech Lake accord. There was a minimum of interpretative powers. Today, there are none.

There is nothing of the sort being proposed today. Besides, the government side is deluding itself into believing that Quebecers will smilingly accept such a ridiculous proposition and undertaking—and I am weighing my words carefully with that choice of adjective.

• (2140)

Where were the people in the Liberal government when the people of Quebec came close to saying yes to sovereignty on October 30, at 49.4 per cent? Do the Prime Minister and his cronies really believe that the people of Quebec will settle for that stuff and nonsense when they came within a hair's breadth of gaining a country and full control over all powers? No. The federal government needs to stop fooling itself and face up to reality.

Quebec is not inhabited by a distinct society, but by a people, the people of Quebec. The men and women of Quebec already know this, and that is why they do not recognize themselves in the meaningless concept of a distinct society. If there is one lesson to be learned from the October 30 referendum, it is that the people of Quebec are on their way to sovereignty.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is both a pleasure and a duty for me to speak to a motion, so well characterized by the previous speaker as wishful thinking on the part of the House of Commons, to recognize Quebec as a distinct society.

In this country people have long misunderstood the so–called identity of the province of Quebec. Quebec is not a province like the others. It is a people, a nation. It is a nation forged by history, a society that included aboriginal peoples and the many immigrants that came to change that society and be changed by it, that would enrich it and absorb its identity.

Quebec is not a province like the others, and until this fact is recognized other than by a motion on distinct society or some Charlottetown accord on an equally hollow concept, Quebecers

will have no choice but to ensure that in the next referendum, the result will not be 49.4 per cent, which is a defeat or a narrow victory, but a clear majority.

I hope so, not only for Quebec but also for Canada because, as long as this issue remains unresolved, Canada will not be able to consider its own potential and problems and guide the development of its economy and its own history in the best interests of Canadians.

We in Quebec claim, and will continue to claim, that the best thing for Quebec and Canada would be to agree to a partnership.

• (2145)

We realize that the outcome of the referendum does not give us a mandate to negotiate this partnership immediately. However, Canada should not get the impression that symbolic gestures as frivolous as a motion on distinct society will do anything at all to deal with the problem facing both Quebec and Canada.

In my youth, which, I must admit, was a long time ago, I was very keen on history. History is an impassioned quest for understanding what makes a people and a nation. Quebec as a people, as a nation, has come a long way since the first French colonists immigrated to Canada, which is an aboriginal name. These French immigrants quickly mixed in.

I need only mention the Carignan–Salières regiment and its many soldiers, mercenaries from every country in Europe. They settled here. When the English conquest left the people no choice but to submit, their interbreeding explains why every historian studying this time in history says that, even in those days, Canadians or "Canayens", like the Americans, former English settlers, would not have taken long to become independent in a country with a different name.

Fortune, if we can use such a term for the English conquest, dictated that there would be a colony within a colony and that, many years later, Quebec through its complex but clear and unilateral history, would succeed in imposing itself more and more as a people and a nation. Even more so since 1960, when after a business and economic middle class abolished in 1760 revived. These young people spoke with one voice calling for "maître chez nous" and for "égalité ou indépendance", through the Ralliement pour l'indépendance du Québec, the RIN, and even the FLQ, leading this people, already a fact, to speak for itself. General de Gaulle did no harm either with his "Vive le Québec libre" from the balcony.

Quebec's history includes the election of the Parti Quebecois and the failure of its first referendum, a bitter pill for those who had worked so hard. But it was nevertheless productive, because 15 years later, in 1995, the 1980 referendum was almost won.

In these few minutes, it is not possible to review all our rich Quebec history. I want to say that I have tremendous respect for every Canadian who speaks here today; they are committed to their country. I say to them the only way the countries of Canada and Quebec can develop and flourish is through mutual recognition.

• (2150)

It is by mutually recognizing not Quebec's distinct society, which is practically meaningless, but the depth, the profound nature of our people and our nation, in both Quebec and Canada, that we can mutually and collectively prepare for the future by building on a real foundation.

Unfortunately, instead of bringing us closer to a future to which Canadians and Quebecers are entitled, this initiative marks a setback, because it tries to fulfil a wish that has absolutely nothing to do with the real underlying needs.

I sincerely hope that our position will help Quebecers and Canadians take a real step toward their future.

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 have the great honour of supporting the motion before us today.

I am a Quebecer and it is as such that I associate myself with this motion. I do so because it is in the best interests of Quebec and because it opens the door to a renewed partnership for Canadian partners from coast to coast.

The ideal country does not exist, except in the imagination of certain persons. And we all agree that Canada is far from perfect. It needs to change. It must change to better reflect its own reality.

[*English*]

What is that reality? It is the reality of a vast country with a scattered, diverse population. It is the reality of a country in which regional identities are strongly expressed. It is also the reality of a country in which the francophones are concentrated in one province but a million others are distributed across the rest of Canada.

[*Translation*]

That is the Canadian reality. Not only must we take it into consideration and recognize it, but our institutions must also reflect this reality if we want this country to work and to achieve its full potential.

[*English*]

On October 30 Quebecers sent us a clear double message. While reaffirming their attachment to Canada, they indicated that they wanted to see Canada change quickly to reflect their aspirations. We must know how to interpret this message. We

must not only take note of it, but we must respond to it in a concrete way or this country will fail.

As the Prime Minister pointed out so well when the motion was tabled, the referendum results have taught us that we must not take Canada for granted. It was in this context that the Prime Minister made three firm commitments on behalf of the Canadian government during the referendum campaign. These three commitments were as follows: to recognize that Quebec is a distinct society within Canada; to refrain from making any constitutional change affecting Quebec without the consent of Quebecers; and to undertake changes to bring citizens closer to services and decision making.

[*Translation*]

The time has come to fulfil these commitments, to take action. Through the motion before this House, we are starting to give concrete expression to the commitments made by the Prime Minister. By putting it to the members of this House this quickly, the government is showing that it takes its commitments seriously. It is showing how important this issue is, not only for Quebec, but also for the rest of Canada.

• (2155)

[*English*]

Why do Quebecers want to be recognized as members of a distinct society? The reasons are obvious. Quebec is home to a French speaking majority, a unique culture, and a civil law tradition. Quebec has been built around these essential elements for more than three centuries. Recognizing this is not only acknowledging reality, it is also agreeing that these characteristics of Quebec society must be preserved and nourished in a context where Quebec co–exists in North America with a population of about 300 million anglophones.

To adopt this motion is to recognize that the French character of Quebec must be protected. It is to assert that Quebec must enjoy cultural security. It is to recognize the linguistic duality that is in the very nature of Canada and contributes to its cultural and social richness.

[*Translation*]

By recognizing Quebec's distinct nature and by admitting that the definition of distinct society contained in this motion is by no means complete, this House is undertaking to let itself be guided by this reality. The legislative and executive branches of government will be encouraged to take this recognition into account in all their activities and all their decisions. This means that this motion will have a positive impact on the way legislation is passed in this House and decisions are made in federal government departments and agencies.

There is more. The motion before us today is but one of a whole series of government actions. During the referendum campaign, the Prime Minister promised not to make any constitutional change without Quebec's consent. That commitment is reflected in the bill recently introduced by the Minister of Justice to provide a regional veto power. Under this bill, any constitutional amendment proposed by the federal government will require the consent of Quebec and the other regions of Canada.

[*English*]

The objective of the motion is clear: to protect Quebec from amendments that might reduce the powers of the Quebec National Assembly. By taking this action the Government of Canada is recognizing that the Government of Quebec, as the only government representing a francophone majority in North America, has a central role to play in the evolution of Canada.

[*Translation*]

This is a far cry from the so–called meaningless motion referred to by the separatists in recent days. Through this bill, the federal government strengthens the regions, particularly Quebec. We feel it is a first step toward more flexible and more effective federalism.

[*English*]

It would be wrong to claim that the only purpose of the motion is to meet the aspirations of Quebec. Canada is not a melting pot, nor has it ever been. The issue here is proposals that reflect the deep nature of Canada. The issue here is ensuring not only our national unity but also its harmony and the effectiveness of its institutions.

I have followed the debate on the motion with interest. I have heard the criticisms of the official opposition, which were not really surprising. I have also heard the criticisms of others who claim to be defending Canada while at the same time opposing the motion. To them I would say that it is easy to criticize after the crisis is over. However, what will those who object today say when the separatists mount another attack? I invite them to answer right now, before it is too late.

Canada is a federation of partners. It is by preserving the spirit of partnership and co–operation and by recognizing both our differences and our shared objectives that this country will grow and prosper. The motion we are debating today deals exactly with this concept of partnership. The Canada we all want is a country in which each region has its own specific character and the freedom it needs to express it. That is the essence of what this motion contains.

• (2200)

The definition of a federation is not a grouping of equal partners. The purpose of a federation is to permit the differences of the various parts to be accommodated within one country. Otherwise it is a unitary state. We are not, because we have started as a group of people who were different and who founded

a type of government able to accept the differences. It is really unfortunate that there is now a party which does not agree that the differences the country has are part of its richness and of its wealth.

[*Translation*]

The motion before the House specifically relates to the concept of partnership. The Canada that we want is a country in which every region will have its own distinctive character and the means to develop it. This is the very essence of the motion.

Canadians want a united country. They are open to changes that will preserve its unity and promote its development, as evidenced by the resolutions recently passed by the legislatures of Ontario, New Brunswick, Nova Scotia and Newfoundland, to recognize Quebec's distinct identity.

I am convinced that the majority of Quebecers and Canadians recognize themselves in this motion. I would humbly submit to the Official Opposition, moreover, as well as to the Government of Quebec, that they are wrong to reject it.

Of course the separatists cannot accept propositions with the object of making Canada work better. This is an undemocratic attitude, for it denies the results of the referendum. It also condemns Quebec to immobility and rejection of any improvement to the system. It is thus in contradiction to what most Quebecers want.

We have no illusions about it. Since the Government of Quebec is interested solely in its own option, we shall not engage in constitutional discussions which would be doomed to failure from the word go. But that does not mean that we will not take steps today in the direction Quebecers and all Canadians want us to go. Needless to say that if Quebec and the other regions of the country consent, the Government will be open to including the changes contained in this motion in the Constitution.

[*English*]

Every member sitting in the House has the opportunity by voting for this motion to acknowledge Canada for what it is, a diversified country, an open country, a country that has always based its development on accepting and preserving its differences.

[*Translation*]

For, beyond those differences, the shared values and objectives we have always had as Canadians, regardless of where we live, remain: freedom, tolerance, the creation and distribution of wealth for individuals and regions.

The months and years to come will surely afford us the opportunity for a concrete demonstration of the fact that we go far beyond principles and idle talk.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I am pleased to have the opportunity to put on the record some of the comments I have received from constituents. They have watched and participated with all of us, or most of us, as a number of members and parties in the House did not participate in the process, in order to reach out to the province of Quebec with most Canadians to set the country back on a path of a unified purpose and commitment to the dream which has made this country the envy of the world.

• (2205)

I would like to publicly thank those from the Prince Edward—Hastings riding who took that long bus trip to Montreal on October 27 to extend their hand and to once again tell Quebecers their Canada included Quebec. It certainly was a contribution I know was well meant and very useful. I thank them for that extra effort as well as the individuals and businesses in the riding that helped to make that possible during that day and during that critical time in the future of our country.

The resolution we are debating is certainly an honest and thoughtful fulfilment of an important commitment the Prime Minister made to the people of Quebec during the referendum debate. We are fortunate as Canadians to have a Prime Minister who displays and portrays very clearly integrity and sincerity in his actions. When he makes a promise to Canadians he fulfils that promise.

The package of unity measures announced and put forward to the House and to Canadians in every province has three parts, as we well know: to recognize within Canada that Quebec is a distinct society; not to proceed with any constitutional change that affects Quebec without Quebecers' consent; and to undertake changes to bring services and the decision making process closer to citizens, initially in the field of labour market training.

This kind of leadership, to put this type of thing before Canadians and before the House, is what is needed today in order to heal the wounds, and the recent wounds, that need to be healed in order to move forward together as Canadians. This motion along with the bill concerning the veto and other actions of the House concerning workforce training measures provide a confident display of national reconciliation.

The motion that addresses the legitimate concerns of the citizens of Quebec in terms of our acknowledgement of the distinctive characteristics of Quebec as a society is only a recognition of the reality there today.

If we analyze the motion by looking at the second part it says very clearly that Quebec includes a French speaking majority. That is a reality. It says Quebec has a unique culture. That is a

reality. It says Quebec is governed by the civil law tradition. That is a reality.

This motion does not give any special status to the people in Quebec. It recognizes one of the things we all say everyday, that our country is made up of many diverse cultures. However, we have six million French speaking people of a unique culture, different from many of the rest of us, in Quebec.

The motion provides them the assurance that the federal government will be guided by the recognition of that distinctness and carries the Prime Minister's personal commitment that he and the government will gladly incorporate into the Constitution, when all the provinces are prepared along with Quebec, appropriate resolutions to do so.

No matter what area we are dealing with, our own riding or an organization we belong to or in the House, we know there are differences. We know there are people who think differently. The important thing, whether in our own families or whether in the larger family of a constituency, a province, a municipality or in the House, is that we recognize and appreciate each other's differences.

• (2210)

We may not always agree but the only way we are to get ahead in a family of any kind, whether it is a family of the House or a family that we call Canada, is to go forward together. We are stronger as we work together to achieve that end. It is a disappointment to most Canadians when we see one political party in the House saying it wants a Quebec without Canada and another political party making it very clear it would be very happy, certainly not upset, if we had a Canada without Quebec.

The concerns that this motion conveys special powers to the province of Quebec or that this motion is an acknowledgement of the Constitution's inability to be flexible enough to accommodate such changes are simply unwarranted.

While this motion has no legal effect, it definitely expresses an important commitment by the elected body that speaks for all Canadians, this body that we are all part of here this evening, and it recognizes an obvious reality without giving the people of Quebec any powers that Canadians elsewhere do not possess.

That is not the intention of this motion. The intention of this motion and the intention and the challenge of the House is to treat all Canadians equally. We also have to recognize Canadians are not all the same when it comes to language, culture and, in the case of Quebec, the law and the civil law code they are governed by.

The Constitution is more than capable of accepting this change, as is the government. The willingness of the Quebec government to make that possible would be a significant help in giving greater weight to this important measure.

I am disappointed that the official opposition and the third party are opposed to this motion, opposed and fail to recognize the diversity of what makes up this wonderful country we are all part of.

The negative contributions to the debate during the referendum by some members of the House, some parties in the House, nearly cost us the country. We cannot stand by and allow that to happen again. It is illogical, narrow minded and not of the national character we have here Canada.

Canada must reassert our strength of purpose and unite our people. This is a commitment the government is prepared to make, and is making. It is the potential of this motion and it will be the legacy of the government and the Prime Minister.

We are a country incredibly rich in culture, resources, beauty, geography and opportunity. I encourage all members of the House to do what we can, individually and together, to make our country even stronger in the future than it is at the present time. I urge all members of the House to support this motion.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I will be splitting my time with one of my fellow members.

In May 1987 Pierre Trudeau wrote an open letter to the country after the Meech Lake accord was signed. He had this to say about Quebec as a distinct society:

> The real question—is whether the French Canadians living in Quebec need a provincial government with more powers than other provinces. I believe it is insulting to us to claim that we do—.The new generation—has no use for this siege mentality in which the elites of bygone days used to cower—.They don't suffer from any inferiority complex, and they say good riddance to the times when we didn't dare to measure ourselves against others without fear and trembling. In short, they need no crutches. Quite the contrary, they know that Quebecers are capable of playing a leading role within Canada.

Mr. Trudeau believed the recognition of Quebec as a distinct society would be a stepping stone to sovereignty, that granting special powers to Quebec would be the end of the Canadian dream. I think he was right.

Call Quebec a distinct society, promise to make government decisions in light of that status, and sovereignists will seize on it to say at last we are recognized as a distinct society, and a distinct society is a nation; we have only one more step to go.

The notion of a distinct society formed the basis of the sovereignty argument in the last referendum campaign and will be used to greater effect next time if this motion passes.

• (2215)

The current Prime Minister's last minute promise of a distinct society was born out of panic. It is a policy of appeasement to sovereignists in Quebec and it stands in opposition to traditional Liberal Party policy.

I agree with Mr. Trudeau about distinct society, but I take issue with his belief that national unity lay in his new Constitution and the charter which would form a federation, as he put it, set to last 1,000 years.

Instead Mr. Trudeau, by invading provincial jurisdictions, by consolidating power in Ottawa and by starting us down the debt road that has led us to the fiscal crisis we now face as a nation, set in motion a series of events that led us to the brink of separation on October 30. It does not help that our current Prime Minister is so closely associated with the repatriation of our Constitution and being finance minister during the time that this fiscal crisis began.

Federal strategy during the referendum and afterward was put forward by the Prime Minister in the following way. He promised a virtual status quo, even though Quebec had been demanding that the federal government get out of provincial jurisdiction since 1920. The Prime Minister now says he will decentralize some job training to the provinces. It is too little, but it is not yet too late.

Finally, the lack of federal strategy ignores the changing face of Canada. The new Canada is more than just two founding nations. We have come of age in this country. We are no longer simply two founding nations. We are a nation of almost 30 million people and growing. We are a nation of 30 million equal people. There are no longer just two languages, there are many. Canada is more than just two rich and populace central provinces. It is a nation with a growing western economy and a population to match.

In the old Canada, Ontario and Quebec could afford to ignore the western hinterland. However, in 20 years British Columbia will be nearly as populace as Quebec. Alberta and B.C. already have the two strongest economies in the nation. The west is not only a theoretical equal, it sits now at the table as a practical equal with the central provinces.

Liberals seem to be living in the past, in the old Canada. That is why the notion of a distinct society reverberates so poorly in the west. If the Prime Minister wants to give special status to Quebec and this status means unequal powers or unequal treatment of all Canadians, regardless of race, sex, language or culture, then this idea will not sell in British Columbia and the rest of Canada.

That is why we proposed these amendments. It was to make it crystal clear that it does not involve any more powers or any unequal treatment of any Canadians. If he continues to treat provinces unequally, he is starting to drive a wedge in the west where there once was one only at the Ottawa River.

It is fair to say that everyone in the Chamber feels a good deal of pressure today, pressure from their constituents, from party colleagues, from provincial governments and even from people who are yet to be born, because future generations may have to live with whatever we decide. They are in a sense looking for us to do what is right.

I regret what is happening in the House. As the proverb states, a house divided against itself cannot stand. At this crucial time in our history, we face a divided House of Parliament, not only between federalists and separatists, which is to be expected, but incredibly we also face a divided House among federalists.

The government seems to claim a certain omniscience on the subject of national unity but the results of the referendum proved it to be sadly mistaken. If at the beginning of the referendum campaign the Prime Minister had brought in the leader of the Reform Party and said: "We both represent legitimate viewpoints of Canadians. We can work out a strategy together. Let us combat the separatists in Quebec", I think the leader of the Reform Party would have co–operated gladly. However, there seems to be no room for compromise in the Liberal ranks.

Instead the Prime Minister questions the loyalty of Reformers just because they do not agree with the way the Liberal Party wants to fight separatists. Of course this is not true. We are not lacking in patriotism. We simply feel like most Canadians, that we have been shut out of the process and that the strategy is wrong.

What is that process? The resolution came before the House with two days' notice, an hour's notice to the press, a briefing to the Liberal caucus on the same day that the Prime Minister held the press conference. There was no briefing for any other members in the House. There was no public consultation or even consultation with the provinces, many of which reject this notion of distinct society.

Members of the Reform Party, like it or not, represent real points of view of real Canadians. On the Liberal side they may want to ignore the Reform members in the House but the people of Canada who voted for us cannot be ignored. In ignoring the thoughts of Reformers, the Prime Minister is alienating strong federalist forces outside of his own cloistered offices. Yet when the Reform Party protests, the Prime Minister chides them like school children and says: "Shame, shame you're in bed with the separatists". Then he proceeds to offer a constitutional veto to the separatist Government of Quebec.

• (2220)

There is a sincere desire for national unity on the government side of the House. I do not question that. Their tactics are wrong. There is wisdom on this side of the House worth hearing.

I would like to read from *Hansard*. When I asked the Prime Minister, when he must have known or he should have known that the west would never ever accept this distinct society clause, why he brought it forward, his Minister of Justice said: "Mr. Speaker, I do not think we should assume for a moment

that the hon. member speaks for the people of British Columbia".

A slick Toronto lawyer does not speak for the people of British Columbia. If he wants to know what the people of British Columbia are saying, he should come out to the coffee shops, come out to the public meetings, come out to the talk shows, come out anywhere in the west and listen. If he listened he would realize the wedge that he is driving with this motion between British Columbia and the rest of Canada. I do not know why the government is proceeding with this.

The Reform policy is to confront hard and soft Quebec separatists on the one hand by developing realistic answers to the hard questions that the sovereignists like to sweep under the rug. We would detail the costs of separation for Quebecers and make sure that all Quebecers hear them. A huge percentage of voters in Quebec thought that they could vote yes and still have all the benefits of being Canadian. The federal government's failure to detail the cost of separation, to tell them where the rubber meets the road, tell them what they are in for, brought us nearly to the brink of separation on October 30. That is what we should do on the one hand.

On the other hand Reformers would also appeal to Canadian nationalists in Quebec, who represent well over half of the population. We would do this by showing them exactly where Canada can change, that we can devolve programs and responsibilities to all of the provinces equally.

We have detailed 20 separate areas where changes can be made without constitutional change simply by getting the federal government out of areas of provincial jurisdiction. Our strategy would confront the separatists on the one hand and encourage Canadian nationalism on the other and cultivate unity among all federalists across the country by preserving the concept of equality.

It is a reasonable strategy. It will work. I appeal to all members to drop this disastrous distinct society motion while there is still time. Members should stop casting insults when someone comes up with another idea and maybe see if there is a kernel of truth in it.

I invite all federalists to create a strategy in this House for all members that is not created in the Prime Minister's office. It is time for the west to be brought into the picture. It is time for federalists to work together to tell the separatist Quebecois exactly what they are in for and to offer a new vision for a united Canada.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I wonder if I might have the consent of the House to split my 10 minutes with the hon. member for Elk Island.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

Mrs. Ablonczy: Mr. Speaker, this is a very ill conceived move on the part of the government. I believe it is politically motivated solely. The Prime Minister, having totally botched the matter of the referendum and the move on the part of some people from one province to separate from the country is now desperate to show he is doing something. If this was such a good idea he should have done it two years ago and not hastily thrown it into the breach when he was in desperate difficulty.

Members on the other side are telling us over and over that this is going to unify the country. This distinct society proposal will do nothing but intensify Canada's divisions. In my few minutes I am going to put on the record why I believe this is so.

First, once we concede that Quebec is distinct we have provided an enormous justification for it to be separate. Second, formal recognition of Quebec's distinctiveness in the Constitution is meaningless unless that special recognition also becomes a principle used to interpret the Constitution with respect to this distinct society. The rules by which our country functions would then always be interpreted so as to treat one province as distinct and special.

• (2225)

As a result, that province would have special status and constitutional powers, for if we state that in spite of its being a distinct society, Quebec has no more power than the other provinces, in the end it would be no more distinct than the others. The whole exercise would only be window dressing because Quebec's interests would not be better served by it. Separatists would be able to denounce it as yet another empty gesture and cause disaffection with the federal government to increase, not decrease.

The greatest danger is that giving Quebec distinct society status in the Constitution would almost certainly be interpreted as also giving Quebec special status and constitutional powers. Former Prime Minister Trudeau in 1987 pointed out that Quebec politicians will take the position "that if the Constitution says something it is because a meaning was intended". It is an old principle in lawmaking that legislators usually do not talk without saying something. It can happen, but not when they write laws. Thus we have to suppose that distinct society means something.

Trudeau was also quoted as commenting that if anyone thinks recognizing Quebec as a distinct society means nothing, "you are in for a superb surprise".

Anyone who has studied the courts' interpretations over the last several years of existing constitutional provisions will have no trouble understanding this. Canadians were astonished, for example, when our courts told us the Constitution says that if

you are extremely intoxicated when you kill someone, you are not guilty of a crime.

While we may intend only to recognize a sociological and historical fact when we amend the Canadian Constitution to designate Quebec as a distinct society, down the road it is clearly open to the courts to affirm that the provision really confers special status and powers on one of the ten provinces, whether it is in the Constitution or in any other legislation, such as the motion which is before us today.

Why would it matter if Quebec was given special status and powers? The simple answer is that it would only intensify Canada's divisions.

First, it would violate the principle of equality. This principle is foundational to the whole characterization of Canada as a democracy, where every citizen has the same rights and the same value. It would be completely unacceptable for some Canadians to be designated as having different or greater rights, different or greater value, than others. In the past we have condemned societies that sought to operate on that tenet. We have declared the very idea repugnant. Would we now find special status for some acceptable in our country? Never.

Second, far from bringing Canadians together, such a move would segregate them and emphasize the differences between them even further. The Prime Minister will attempt to characterize the move to confer distinct society status and a constitutional veto on Quebec as an act of generosity and reconciliation.

Tolerance and kindness have long been praised as traits of the Canadian people. We would not wish to be accused of acting otherwise. However, I believe that Canadians must place reasonable limits on any exercise of generosity. Therefore, we must ask whether it is reasonable to give a separatist government, committed to breaking up the country, a veto over the Constitution of Canada. It will truly result in fundamentally redesigning Canada to give some citizens more say and a greater degree of control than all other citizens.

If a unified Canada is our goal, the only sound course of action is to pursue those issues on which Canadians agree and not those issues on which they are divided. The Reform Party's vision for a new and better Canada is guided by the founding principle of equality of provinces and citizens. It is the only sound basis on which to go forward as a confident and unified people.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am both angry and grieved this evening. I am angry because something which I value so highly, the wonderful country in which we live, is being treated with such indifference by the government. I am grieved because the principles of equality are being violated in the proposed legislation.

• (2230)

I joined the Reform Party and became a member of Parliament because of my commitment to the equality of Canadians. I cannot understand how a government can look back without seeing that the policies of the last 30 years have driven a deep wedge into this country. How can those members then conclude that wriggling around that wedge some more is now going to produce unity? That does not make sense to me.

I am very gravely angered by that. I am grieved by the fact that we are here in a Parliament where we cannot properly and openly discuss this. Whenever we bring forward ideas we get into name calling instead of honestly and openly debating the issues and the principles that are involved.

We have a parliamentary system here that does not respond. There is no mechanism in this Parliament to change what is now being proposed and what is clearly wrong. The reason is that all the members on the government side do not have the freedom to speak and to vote what they truly believe.

I cannot believe that among the 176 members on the other side, not one of them has any serious questions about this legislation. There are four members in the government from Alberta. Every one of us in the Reform Party who is from Alberta has heard from numerous constituents that there are large problems with further bifurcating this country with this kind of legislation. Surely those other four Liberal members in Alberta have heard those same messages. If they have chosen not to listen and not to represent them here because of that nasty party discipline that is exercised in the House, which makes this place ineffective, that makes me very angry. We have here a system of governance that cannot respond to a major crisis in this country because of its archaic systems.

I plead with those members opposite to use their own intelligence, their own analysis, their own convictions, their own beliefs, and stand in the face of this government. Because of their majority, they alone can do it. They are the only ones who can save this country.

If we keep on following the plan that is proposed, it is inevitable that the divisions among us will increase. In this very weak attempt to try to appease one province that has legitimate beefs and instead of listening to the legitimate beefs to offer this little appeasement carrot, they are putting at risk the unity of the whole country. They are doing that with impunity and as if they do not care.

It is a total shame. It distresses me. I really eagerly wish the Liberal members in the House would exercise principle and forget about this policy they have had of voting the way they are told. That will destroy the country.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, to repeat the resolution, we are today debating the government's proposal to recognize Quebec as a distinct society within Canada.

According to the resolution, this distinct society is defined as including a French speaking majority in Quebec, which is certainly distinct, since there is no other province in Canada that has such a French speaking majority; a unique culture in Quebec based on the French language, which is also unique and distinct in Canada; and a civil law system, which no other province has. These are not exclusive traits of the distinct society but simply the high marks.

Let me point out that these three distinctive features that are in the resolution were first recognized and granted by the British in the act of cession of 1763 and in the Quebec Act of 1774. These distinctive features that are attributed to Quebec in this resolution are not new. What we are doing here today is simply restating this distinctiveness in a different way in this century.

• (2235)

Distinct society does not mean superior; it means different. We have in Quebec the civil law. Those in the other provinces have the common law. Neither is superior. They are different. That is what the distinct society clause means.

The distinct society clause does not mean special status. Quebec and all provinces have some special provisions in the Constitution relating to them, and they all in some way have special status, but this is not the meaning or the purpose of the distinct society clause.

Finally, the distinct society clause does not mean more power to Quebec. Those who suggest this are being mischievous, destructive, and misleading. I found it extremely hurtful to hear one Reformer after another continually refer to this resolution as a constitutional amendment with constitutional consequences.

The source of the federal and provincial powers is in the Constitution Act, 1867 and the Constitution Act of 1982. In particular, the powers of the federal and provincial governments are in sections 91 and 92 of the Constitution of 1867. The only way those powers can be changed, abridged, increased or diminished is by a constitutional amendment. That is the only way they can be changed.

This resolution before the House is not a bill. It is a resolution. It is not a proposed constitutional amendment. To suggest otherwise is misleading the Canadian public, which almost amounts to dishonesty in the House. This is a resolution of the House of Commons. It is not a bill that will lead to legislation. It is not a proposed constitutional amendment. In no way can this resolution augment the powers of Quebec, nor can it reduce the powers of the federal government or any other province. This or another government might want to some day change those powers, but it is not doing it through this resolution.

If the purpose of this resolution is not to grant special status or to give additional power, then what is its purpose? The purpose of the resolution is to assure Quebec that despite its different language, despite its different culture and legal system, we want them with us; we honour and respect them with their uniqueness, with their differences, with their distinctiveness. It is a formal commitment by the Parliament of Canada, representing all the people of Canada, that we recognize they are distinctive and we want them as they are. We do not want to assimilate them, we do not want to blend them. Once passed, the resolution is also meant to be a guide, but it is not legally binding; it is simply a guide.

In many respects the resolution is like the great rally in Montreal on October 27. By that rally Canadians from all over the country, at great expense to themselves, came to Montreal to say they wanted Quebec to stay in Confederation, that they respected Quebecers as they are, with their differences. The rally had no legal or constitutional consequences. It did have very strong symbolic and political consequences. It is the same with this resolution before the House.

The distinct society clause is saying to Quebec that we recognize its distinct institutions and culture and because of them Canada is a better country. Its consequences are political and symbolic but extremely important, considering the atmosphere of the country today.

It makes Canada a better country because Canada with two official languages and two cultures has a great advantage over other countries. These two languages and cultures are great assets, not burdens. Unlike the United States, France, the United Kingdom, Italy, Germany and Japan, which have one official language, Canada can do business in English and French, can do diplomacy in English and French, research in English and French, write plays, novels, and poetry in English and French, produce television, films, and songs in English and French. It has great universities, libraries and centres of research in English and French.

• (2240)

This resolution alone will not do the job, but with the veto bill it is a very good start to assuring Quebecers that we accept them as they are with these differences referred to in the resolution and we want them to stay with us.

I urge Canadians and I urge my colleagues in the House to put themselves for one moment in the shoes of French speaking Quebecers. Here we have an island of approximately 8 million francophones in a North American sea of about 350 million anglophones. Put yourself in that same situation. Reverse the languages. We have 8 million anglophones in a sea of 350 million francophones. They see this situation as putting their language and culture at risk, their distinct language and culture

threatened by the overwhelming majority of the anglophone provinces and of the population of North America.

Under the Quebec Act of 1774, French speaking Quebecers were the majority in that state, although it was a British colony. Under the Constitution of 1791, with Upper Canada and Lower Canada, it was one to one: the French Canadians were equal in population more or less with the Upper Canadians. It was the same under the act of the union; up until 1867 it was Upper Canada and Lower Canada.

Now they are one out of ten provinces and they are a much smaller percentage of the total population. Would my colleagues try to understand this situation, put themselves in the shoes of the French Canadians in Quebec? Try to understand how they might believe with great credibility that their unique institutions would be at risk in that situation.

That is why assurances are required, and the distinct society clause is such an assurance. I urge my colleagues to give it some thought and support it.

The Deputy Speaker: Colleagues, there are two members who wish to speak further. We are supposed to stop at 11 p.m. I wonder if the two members who wish to speak could either divide the time or we could not see the clock until each is finished. Would that be agreeable?

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Not seeing the clock is fine.

The Deputy Speaker: Not seeing the clock is acceptable.

Mr. Bill Graham (Rosedale, Lib.): If my hon. friend from Esquimalt cannot see the clock, I can understand it at this hour. I am sure he and I would be happy to share our time.

In spite of the remarks that were made by some of the predecessors from his party who suggested that those of us on this side of the House were speaking because we felt we had to vote a certain way with the government, let me assure the other members in the House that when we rise to speak on this question we are speaking from the profound desire of Canadians to speak for our country, to speak of how we understand our country and what we are trying to achieve. We may have our differences, but we must understand that together we must try to determine what is right about our country.

As the great prime minister of this country, Sir Wilfrid Laurier, said many years ago, elections decide everything and answer nothing. The referendum is somewhat like that. It made a decision. It decided that Quebec was to stay in Canada, but it did not answer the question as to under what conditions it is to stay in Canada. It did not answer many of the fundamental questions we are obliged as parliamentarians to review.

I believe profoundly and seriously that the Prime Minister's initiative is not a constitutional initiative but is a realistic initiative. It corresponds to the aspirations of Quebecers. It is a solemn undertaking by this federal House and our executive to be guided in its decisions by a recognition of Quebec's unique culture, linguistic characteristics, and civil law traditions.

[*Translation*]

When we come to this House, we all do so with our various experiences as individuals and Canadians. I was born in Montreal but grew up in British Columbia, in Vancouver. Most of my family still lives in Vancouver.

• (2245)

I visit regularly. I consider myself a westerner in a way, although I now live in Toronto. I had the opportunity and the privilege of teaching at the University of Montreal and at McGill University. So, I also consider myself a Quebecer.

When I look at the history of Quebec since 1774, since the Quebec Act, since our colleagues rejected Lord Durham's proposal to submerge Quebecers in an English ocean, so to speak, when I look at the history of my country, I see great French Canadians like Cartier, Laurier, Saint–Laurent, Trudeau and Chrétien, federalist Quebecers faithful to their people and convinced that federalism is the best way to protect their people's existence. On what basis?

Because the province of Quebec has a distinct identity. There is a distinctiveness that makes it different from the rest of Canada. There is Bill 101 which protects the French language in Quebec. Quebec controls immigration to the province, which is not the case in other provinces. Internationally, and I have a particular interest as chairman of the Standing Committee on Foreign Affairs, Quebec, with its membership in the francophonie and its privileged relationship with France, is seen as different from the other provinces.

We can say that, in terms of protecting French culture and the French language in North America, for reasons already mentioned by the previous speaker, Quebec already has a different identity, a kind of distinct society. It is a very important asset for us in the rest of Canada. The hon. member for Glengarry—Prescott—Russell made an emotional speech the other day about protecting the French language outside Quebec and he really convinced me that I as an Ontarian had a duty to protect the distinct identity and distinct society of Quebec.

[*English*]

I speak as an Ontarian. Can we say as Ontarians and as British Columbians that we have an interest in protecting a distinct society in Quebec? Does the existence of a francophone major-

ity within a province in Canada enrich the cultural and political life of the country in a way that enables us to be distinct and different?

This is an extraordinary and complex subject. We can say that our colleagues who have spoken earlier in the House are right when they say that British Columbians are distinct. Of course this is true. We are all distinct.

However speaking as I do, coming from Toronto, we recognize that our culture in North America will only survive in the face of North American television and the enormous pressures in which we live on the north–south pole, whether they are economic, environmental or cultural, if we live beside Quebec which is part of us, enriches us and gives us a specificity that sets us apart. We as Ontarians are different because we have Quebec as a distinct society beside us. We as Ontarians live in a country that is bilingual, bicultural and bi–juridical.

I have had experience as a young lawyer travelling outside the country. One of my great advantages was to work as a Canadian in international conferences. People were able to say to me: "You represent a country that represents the civil law and common law traditions. You represent a country which has the Gaelic traditions and the Anglo–Saxon traditions. You are able to act as a bridge in this new world, this interdependent world in which we live. You are able to participate in this world in a way that is different from Americans, British, French and anyone else in the world", precisely because we are Canadians and precisely because we are enriched by the presence of the distinct society of Quebec which forms a part of ourselves. We do not need to reject it. It enriches our experience. We are able to be what we are because we have Quebec as a part of us. We would be poorer if we did not. We would be poorer if we did not have Quebec as a distinct society.

• (2250)

Looking into the 21st century we must recognize that we will be challenged as a people. Whether we come from British Columbia, Alberta, the maritimes, Ontario or Quebec, we will be challenged to adapt to enormously changing conditions. In the course of those changes our adaptation, our flexibility and our ability to be something different will be precisely due to the fact that we have been able to share together, to partner together with our colleagues in Quebec a linguistic and cultural experience that means we can live and make something work in the country that is different from anything else.

That is why I argue with my colleagues in favour of the distinct society. I respect their difference of opinion. I ask them to respect ours. This is not some political vote. This is a strong belief of people.

Mr. Epp: How about inequality?

Mr. Graham: There is no suggestion of inequality, as my colleague suggests. Distinct society is not a special status. In recognizing Quebec as a distinct society we do not diminish ourselves. We enrich ourselves. This is not a suggestion of superiority. This is a suggestion of a recognition of a difference with which we live and with which we enrich ourselves by adapting and making a part of our culture.

[*Translation*]

I realize my time is almost up. I want to say that in Ontario, we have a very large francophone community, whose survival depends on the existence of a distinct society in Quebec. A society that contributes to the enrichment of our society in Ontario and to the existence of an Ontario that is distinct from the United States, and I want to say to this House that the existence of Canada as a distinct society hinges on our recognizing Quebec as a distinct society.

[*English*]

I will repeat that in English as I believe it very strongly. The existence of Canada and the future of Canada as a distinct society depend upon our willingness to recognize the existence of Quebec as a distinct society within us. That will be our strength. That will be our future. That will be the future of Canada.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, a basic principle in a democratic society is the principle of equality for all of its individuals. This principle is being abrogated and trashed by the motion the government is putting forth to give the distinct society clause to one province.

The principle of equality is something that Canada stands for, Canadians have fought for and Canadians have died for. It is the basic tenet of our country and one that this party and Canadians outside Quebec will not stand by and allow to be broken apart.

Canada stands as a beacon of hope on the planet. It stands as a beacon of hope in the global community, a hope for equality, peace and tolerance. That is what Canada stands for. Yet the course the government is taking is abrogating that and violates the very principle of equality we stand for.

Rather than leading us down the road of unity, it is leading us down the road to disunity. The government is balkanizing the very country that stands as a beacon of hope for unity and tolerance that is held up by the rest of the world.

• (2255)

The recognition of Quebec as a distinct society is not a benign statement. Rather, it enables one province to have special status over others. It is first step toward including it in the Constitution. Some may argue that it is benign and necessary, but that flies in the face of equality for all Canadians.

It enhances Quebec's group rights as opposed to the individual rights of Quebecers. It would enable an aggressive Quebec provincial government to abrogate its responsibilities and trample the rights of the minorities within Quebec. Statements by

various separatist leaders after the referendum led us to believe nothing else than the fact that some of them were racist.

Furthermore, the province of Quebec with the distinct society could supplant federal policies by using the argument that Quebec is one half of Canada and the remainder is the other half. It could manipulate federal policies based on that. It is highly iniquitous because Canada is made up of ten provinces, not two groups.

Unfortunately this and previous governments have not engaged in the process of trying to bring Canada together. They have engaged in the process of appeasement. There are some glaring examples.

The federal government gives Quebec $7 billion a year. Ottawa has transferred $160 billion to Quebec over the last 30 years.

Quebec has three seats on the Supreme Court of Canada.

Quebec has been allowed to use the notwithstanding clause to step on the rights of anglophones within that province. Would Quebec tolerate the rest of Canada using the notwithstanding clause to do the same thing? I do not think so. Neither would the rest of Canada.

The rest of Canada has not been trampling on the rights of Quebecers. Rather, it has been engaging in the process of appeasement. Quite frankly the people in the rest of Canada are fed up and will simply not tolerate this any longer. That is why a distinct society with a veto is intolerable to the rest of Canada. We are hearing, sadly, the nascency of separation in the rest of Canada. That is not something about which we should be proud.

We are witnessing a tragedy. Canada is being fractured into many different groups. People are talking about Canada in a defeatist fashion. They are saying we have no vision, no direction, no identity and no culture. Some would say that Canada is like a rudderless boat in the ocean, buffeted around by circumstances beyond her control.

I do not accept that. Canada has an identity. Canada has a soul. Canada is strong. Canada has courage as we see in our peacekeepers. Canada has culture as we see in Celine Dion and the Group of Seven. Canada has made scientific contributions through Dr. Fraser Mustard.

Canada has strength in its people, in their everyday actions. That is what has made Canada the great country it is today. They are the heroes of Canada. That is the identity of Canada and that is why it is held in such high esteem throughout the world. It is our identity. It is very clear to those who have travelled to other parts of the world. We are not some benign, opaque country without an identity. We are a great country.

Essential to the unity of a country is the concept that every citizen is equal. We are not first anglophones or francophones, Quebecers or British Columbians, Afro–Canadians or Indo–Canadians. Above all else we are simply Canadians. The hyphenated Canadianism we have pursued does not bring us together with our differences; it divides us. Our differences, whether they be language or culture, do not need to ghettoize us. Rather, our differences are something we can cherish. Our differences bind us together as citizens and as human beings in a common humanity.

It irritates me to no end and gets me very angry and also saddens me to see our differences used as a way of separating us instead of bringing us together. We need to change that now. It requires strong leadership for us to do this.

To the Prime Minister, stop negotiating with the separatist leaders because you will not win. It is a futile action. Bring your principles of equality, your principles of understanding and tolerance directly to the people on the ground in Quebec and the rest of Canada. Both need to heal. Both need to come together and both need to understand each other. You must have again as the basis of your decisions equality for all.

Constitutional changes must not go to the politicians. They must not go to the provinces. They must go directly to the people. Constitutional changes must go to a binding national referendum, to all Canadians, as it affects us all. It seems the government lacks the belief in the people of this country that they would uphold tolerance and respect for each other in the decisions they make.

The rest of Canada and I am sure the people of Quebec want nothing more than to be treated as equals. They want nothing more than to live their culture and their language. If we give culture and language directly to the provinces, as we must, the people of Quebec would be the masters of their own cultural and linguistic destinies.

That is what they ask for. That is what they must have. That is also what the rest of Canada must have. The message we send to the people of Quebec and the rest of Canada is this. We stand here today simply as proud Canadians with a history, Canadians with a future based on our differences, based on what binds us together, based on respect and tolerance for each other.

It is not a fantasy. It is something we can pursue and achieve. All it requires is leadership from here, leadership in the community and for all of us to work together to raise Canada to the truly great height it can reach.

The Deputy Speaker: Pursuant to Standing Order 57, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion now before the House.

[*Translation*]

Pursuant to the order made earlier this day, the House is deemed to have divided on the motion and the recorded division on the question is deemed to have been requested and deferred until December 11, at 6.30 p.m.

[*English*]

On behalf of the House I thank everybody who permitted us to have this late debate, all the people who worked long and hard tonight.

It being after eleven o'clock, the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 11.04 p.m.)

HOUSE OF COMMONS

Thursday, December 7, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 12th report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Monday, December 4, 1995 the committee has considered Bill C–110, an act respecting constitutional amendments, and the committee has agreed to report it without amendment.

[*Translation*]

PUBLIC ACCOUNTS

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I have the honour to present the 18th report of the standing committee on public accounts, pursuant to Standing Order 108(3)(*d*). The committee reviewed chapter VI of the May 1995 auditor general's report and is now reporting on this chapter, which concerns federal transportation subsidies, and the Atlantic Region Freight Assistance Program in particular.

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

[*English*]

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 107th report of the Standing Committee on Procedure and House Affairs in relation to the operating budget and the vote structure in the estimates.

Treasury Board officials presented a document entitled "Operating Budget and the Vote Structure". This document explains the reasons for altering an aspect of the votes in the estimates and proposes that a new operating expenditures vote be introduced for the 1996–97 main estimates. The new vote would contain items of minor capital expenditure currently included in separate capital votes. Parliament would be presented with a more accurate view of the way departments and agencies expend the funds which are allocated to them. The proposed change is an interim measure that will be in place until the government adopts a new accounting system.

Officials of the office of the auditor general have advised the subcommittee of the procedure and House affairs committee that the change being proposed by the Treasury Board Secretariat is largely administrative in nature and that it is designed to make it easier to manage government departments and agencies. The subcommittee was assured that Parliament's ability to scrutinize and approve the expenditure plans of the government would not be diminished by a change of this kind.

I am pleased to present the report. There is no need for concurrence, Mr. Speaker, as it is simply for the information of members.

* * *

PETITIONS

LAND MINES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, on behalf of people all over Canada, I would like to present a petition which calls on Parliament to enact legislation to prohibit Canadian involvement in the international proliferation of land mine production.

PEACE TAX

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I have a second petition from constituents of my riding that I would like to present which calls for the establish-

ment of peace tax legislation by passing into law a private member's bill entitled the conscientious objection act.

ASSISTED SUICIDE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I would like to present a third petition which calls on Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously.

* * *

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 Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—BRITISH COLUMBIA LAND CLAIMS

Mr. John Duncan (North Island—Powell River, Ref.) moved:

> That the House urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the current provincial government mandate in order to respect the views of British Columbians on this issue as expressed by both major provincial opposition parties.

He said: Madam Speaker, the Reform Party had concerns about this matter before today. For example, on October 30 I asked the Minister of Indian Affairs and Northern Development a question. On November 27 I asked a similar question of the Minister of Fisheries and Oceans. I have also pursued this same subject in committee.

• (1010)

The question I put to the minister on October 30 concerned the polls in British Columbia which now rate aboriginal issues as the number one issue. Among the provincial political parties, there certainly is a growing divergence of views on aboriginal issues. We now have an NDP administration which is in the waning days of its mandate.

The question I put to the minister was whether he would assure the House that he will not entertain completion of any comprehensive agreement, such as the Nisga'a claim, until there is a new provincial administration with a fresh mandate. The response from the minister included the fact that the Reform member was asking not to do anything until the non–Nisga'a government changed in British Columbia and he certainly was not prepared to do that.

In addition, there is a major divergence of opinion on costs which was a supplementary to that question. The provincial government says that the cost of settling claims in British Columbia will be about $10 billion and the federal government says it will be about $5 billion. This divergence of views is something of which we should take note. We are talking billions not millions.

On November 27 my question for the Minister of Fisheries and Oceans dealt with the apparent intended agreement on the Nass. I say apparent intended because everything is based on leaks. We do not have open negotiations. We do not have transparency. The only things we know are based on leaks. However, there apparently is an agreement to include some of the Nass fishery in the Nisga'a agreement. I wanted the minister's assurance that the Nass River commercial fishery would not be entrenched in a treaty which would then get further entrenched constitutionally, and be unchangeable, socially divisive and the very opposite of free enterprise. Once again, I received no substantive response from the minister.

This is no longer an emerging issue in British Columbia. This is an established issue. The transformation happened over the last three years. It is considered to be an issue which has gone off the track. Public concerns are driving a re–examination of all of the basic assumptions underlying the treaty or land claims process in British Columbia.

I can give a thumbnail summary of some of these concerns. This issue has tremendous long term implications and ramifications; socially, financially and in other ways. The issue has parallels with B.C. concerns about what many call the disunity bill that the House has been debating very recently and where we have seen closure adopted. There are many parallels here. It invokes, for example, special status, whereas the public is demanding the principle of equality.

The whole question of public ratification of the government's aboriginal initiative has not been sought. This has all been done within a cloistered environment. Neither the provincial nor federal governments has involved the public in establishing the goals and objectives of the treaty process in British Columbia.

At this time I should give a background to the negotiations going on in B.C. The Nisga'a negotiations have been going on for many years and a framework agreement was signed in March 1991. There are many who say that the openness associated with this agreement was really closed off in 1991. That is a very self–serving analysis of the agreement by some of the bureaucracy and by some government parties.

• (1015)

Clause 7.1.1 of the agreement states:

> The parties will, together, develop and implement a process of public information and consultation and will attend meetings with such selected individuals, organizations or groups as they may agree will assist in the process of public consensus building.

It is a real stretch to suggest that any of that in terms of the Nisga'a negotiations has occurred. The Nisga'a agreement is the closest to completion in the province and is a major focus of today's opposition motion.

There are some major concerns which are front and centre with the Nisga'a negotiations. One is the Nass River fishery which I have already mentioned. This is a public resource. Last week there were five British Columbia aboriginal fishery test cases argued in the Supreme Court.

There is an outstanding class action suit from commercial fishermen involving the Minister of Fisheries and Oceans. The outcome, if anything, would appear to rule against an aboriginal right to a commercial fishery.

This is not so much an issue of allocation of commercial licences. It is an issue of treaty entrenchment leading to constitutional entrenchment and protection of a commercial aboriginal fishery which would be in many people's minds and in my mind socially divisive and the antithesis of free enterprise.

Another major concern deals with costs. If we look at the costs involved in the Nisga'a agreement, once again we are dealing only with leaks. We never know where these leaks originate. They may be self–serving leaks, they may not be. This is one of the problems with the lack of transparency.

I put out a press release in November. I talked about some of the statements which have been made very recently on the Nisga'a offer and which were reported in the popular press. Back in March when I was doing a series of town hall meetings in British Columbia, I had taken the known offer of the day and extrapolated it to British Columbia using the Nisga'a example as a precedent. I said that the total compensation package would work out to $8.5 billion. At that time the Reform Party was accused of extrapolating figures from various sources in order to scare the British Columbia public.

In October the minister of aboriginal affairs of the province of B.C. said publicly that the cost of land claim settlements in British Columbia would be $10 billion. According to the leaks, the Nisga'a offer had grown between March and October. This is consistent with what I was saying back in March.

According to the latest leaks in the Nisga'a offer we are talking about a turnover of 2,200 square kilometres of land, a significant forest resource, $175 million cash and 30 per cent of the Nass River fishery. I might point out that other bands also have claims on part of the Nass River fishery.

• (1020)

When we talk about this total cost package of $10 billion as stated by the provincial minister, at the same time the director general from the federal ministry said that he was baffled by the number and said that the cost of the settlement was closer to $5 billion. Either he knows something we do not know or I know not what. Maybe he is only talking about the federal component. According to the way I calculate it, it is about a 50:50 split provincially and federally. That is a very significant difference and one that should concern the public and the government.

Against the backdrop of these Nisga'a precedent setting background negotiations, we also have the B.C. treaty process. We talked about that in the House not too long ago with Bill C–107 the enabling legislation from the federal end to set up the B.C. Treaty Commission.

The Nisga'a negotiations are not part of the B.C. treaty process in terms of the treaty commission. They predate it and are not subject to the same terms of reference. The B.C. Treaty Commission has only been in place since 1993.

An estimated 77 per cent of the British Columbia bands are currently involved in the process. There is a total of 196 bands in British Columbia. The other 23 per cent of British Columbia bands are not part of the B.C. treaty process and they have no other option. They either go with this process or they are left out. This is problematic for that other 23 per cent.

In July 1993 the federal and provincial governments announced the establishment of a treaty negotiation advisory committee. They have also set up regional advisory committees in each treaty negotiation area to represent public and local interests. There is much public and participant unhappiness about the consultation process and about the ratification process at this time.

If a band enters into the B.C. treaty process it receives 80 per cent funding repayable upon completion of negotiations. In effect this is a loan. The Nisga'a negotiations on the other hand are 100 per cent paid for by the federal government.

I have other concerns. The municipal level of government is not recognized in any of this. There is simply a sidebar arrangement through the provincial negotiators. Right now their intervenor funding or advisory funding or whatever we want to call it is capped at $250,000 a year. It comes from the province.

The municipalities have many concerns about this. Some of the municipalities are dealing with multiple claims. Their costs are far and away exceeding the compensation they are receiving. They are caught up in this process, not through their own doing but they cannot afford not to be there. Their interests are certainly affected.

There are no readiness guidelines to the regional advisory committee boards. They are not in the terms of reference of the treaty commission. This has also proved to be very problematical.

Interim agreements have been negotiated at the provincial level. This has also compromised the B.C. Treaty Commission process. This was identified by the B.C. Treaty Commission in its 1993 annual report. That is as far as it can go. The commission can identify it but it cannot deal with it unless one or the other or both levels of government agree to do something about it.

Governments have lost their mandate in those parts of the province most familiar with and closest to the settlement process. There has been some movement toward openness and other things to which the federal Reform has contributed. We have done some things to open up the public process. In March we had an aboriginal town hall series in the province. We covered eight communities in 11 nights province wide. In a separate exercise we set out through a 10–month process new aboriginal policy initiatives. They were very well received in British Columbia and were considered to be very refreshing.

• (1025)

Much of what we were saying in March was common sense, bottom up thinking which had not been reflected before in B.C. political circles. Now much of what we have said is mainstream political dialogue in British Columbia. Issues being talked about are an end to the Indian taxation exemption and certainly a focus on not entrenching commercial activities in B.C. treaties.

We have done more as a federal opposition party to open up this process than the B.C. Treaty Commission and both levels of government combined. The treaty commission is hampered by its mandate and the governments are still locked into an agenda they foresaw three years ago.

The layers of bureaucracy surrounding this process are leading to inevitable massive gridlock. Unless the governments obtain a publicly ratified negotiating mandate, the public will never accept the terms and conditions which are being negotiated. This will foster further disharmony and misgivings.

We are not objecting to a fair, open and complete conclusion to the process, but we do have a problem with the status quo arrangement. People are begging for leadership to break the binds of the status quo and they are not seeing it forthcoming. We are trying to fill that void. The manner and the approach currently being pursued is intrinsically wrong. It is neither enlightened nor receptive. Therefore, people conclude they are being manipulated and that the process is entrenched and resistant to change, despite mounting opposition.

One might ask what the provincial opposition parties are saying. I can talk a little bit about a B.C. Liberal government. It is talking about instituting a series of public hearings and free votes in the legislature; initiating public consultation on a principal framework for treaty negotiations; and developing a set of guidelines that would have to be approved by the legislature with the approval of MLAs who would be free to vote without following party lines.

A second step would be to set up new negotiating teams that would include local non–Indian representation. The next stage would be to send any agreements to public hearings. The final stage would be to take this back to the legislature through another free vote of MLAs.

The B.C. Reform Party is saying many things about this whole process. It does say we must offer to negotiate treaties because it is the right thing to do. The goal of treaties should be to lift the yoke of the Indian Act off the backs of native people. Further, they must own their own reserve lands and govern their own affairs within the context of the Constitution and B.C. laws. Treaties negotiated should not aspire to the false promise of native sovereignty. The principle of equality is central to our support for treaty talks.

A Reform government would insist upon renegotiating the cost sharing agreement as a precondition for B.C.'s ongoing participation in land claims negotiations. It would reject constitutional entrenchment of the inherent right of self–government, would reject a third order of government enshrined under the Constitution, would reject formal recognition of aboriginal title, and would define the meaning and scope of aboriginal rights, title and self–government. That is what treaty negotiations are all about. It would seek a clear negotiating mandate from the people, not the politicians.

If treaties confer special rights, they must first pass muster with the majority. Any deal that purports to accord special status will not pass public scrutiny in their opinion. Treaties should be aimed at removing barriers based on race, not at entrenching new inequalities.

• (1030)

In conclusion, given the importance of the issue, the costs of the issue, the social implications and the permanence of this, there is absolutely no way an outgoing government should be binding the public. I urge in the strongest possible terms for government to respect this position.

Mr. Boudria: Madam Speaker, I rise on a point of order. Once the minister of Indian affairs has completed his remarks I would like to invoke Standing Order 43(2) so that subsequent Liberal speakers will be sharing their time.

I also wish to seek unanimous consent to revert to the tabling of reports by standing committees. I understand that a report

was unavailable earlier and that there is all–party consent to do that at the present time, which will only take a moment.

Mr. Duncan: Madam Speaker, I am anticipated to be at the aboriginal affairs standing committee to finalize a report on co–management. Am I subject to a 10–minute question and answer period? If so, could we do that first?

The Acting Speaker (Mrs. Maheu): Questions and comments, the hon. member for Fraser Valley East.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I do appreciate the chance to question the member on some of the things he has said. As a fellow MP from British Columbia, I share his concern that aboriginal issues are getting short shrift, especially here in Parliament by the government and the minister who seem to think, as with so many other issues, they have a made in Ottawa solution to what is really a problem affecting primarily B.C.

B.C. is the area that is not covered by treaties within the country. Depending on who we believe, it is a $5 billion to $10 billion question. It is a huge issue, which even touches on the Constitution, where rights are entrenched and different rights are given to different people. It is a big issue in British Columbia. The government should take heed that this issue is something that also could be very divisive in the country if it is not handled and settled properly.

Last week I was home on Friday and attended a public meeting where the chief federal negotiator for the southern half of the province gave a talk on the progress to date of the aboriginal land claim settlements. Afterwards we had a question and answer period. During that time I said there are three things I think people are saying they want to see happen in this federal negotiation for eventual settlement of the land claims. First, they want finality to any agreements. They do not want any leap–frogging ability and they do not want anybody to be able to reopen these cases in the future. When the deal is settled they want it settled for good. In other words, we do not want to do this again 10 years from now.

Second, they say they want any deal they make with aboriginal communities in order to settle outstanding land claims to reinforce the idea of equality rather than inequality, hyphenated Canadians. If it does not lead to that equality in taxation and before the law, I do not think British Columbians are going to support it.

Third, I asked the negotiator what his specific instructions are when it comes to the bottom line. In other words, how much money are we talking here? Are we talking $10 billion or are we talking $5 billion or $1 billion? The rumour mill is rampant. Mr. Cashore, the minister in British Columbia, has thrown out a $10 billion figure. His response was you hate it as a negotiator when somebody starts throwing out those figures because it makes it so difficult to have negotiations. He says that hidden away in his vault is an envelope with some kind of figure inside concerning how many dollars we are talking about because there is no openness in this process and we are dealing with rumours of rumours. I wonder if the hon. member could comment on those three things, about the finality or the extinguishment clause that should be in these agreements, on the principle of moving toward equality of all Canadians and because the minister will not give us anything, if he has any idea what kind of a bottom line we are looking at when it comes to settlement of British Columbia land claim issues.

• (1035)

Mr. Duncan: Madam Speaker, the hon. member talks about the finality of these agreements. In many cases there is a major disagreement in the aboriginal political leadership concerning this concept. One of the concerns I have about the finality of these agreements is that there is a word that is no longer used within hearing of the minister of Indian affairs. That word is extinguishment.

One of the first agreements that came before the 35th Parliament, in terms of aboriginal agreements, was the Sahtu agreement in the western Arctic. There is certainly extinguishment within that agreement. When the major native spokesman for the Sahtu was at the committee hearings, he was asked about that clause. He said that was a natural quid pro quo or a trade–off for the other things that the Sahtu were receiving in exchange for an extinguishment of the aboriginal interest in lands outside of the settlement area.

That is fine and dandy but the expectation has now been delivered by the current government that no, that is not the case any more and we are quite prepared to reopen all of these old negotiations. The government is raising expectations at a time when it has not even fulfilled bottom line expectations. It keeps raising the ceiling on something that does not have a foundation at this point.

This is most inappropriate and it is certainly not something on which the public has been well informed, nor is it something that I believe the public wants to accept. It is like a never–ending set of negotiations and everything once negotiated can be reopened at any time. That is not appropriate.

The second question dealt with equality. This is probably demonstrated most clearly in the fact that the taxation exemption is becoming more and more of a problem in more and more locations across Canada. I are not talking about just British Columbia in this case.

While other Canadians are taxed to the max there is a portion of the native population that is insulated from most forms of taxation. These are the people living on reserves. Perhaps this cannot be changed overnight but we have to move in that direction.

Another major concern is that the governments be democratic and accountable with checks and balances that go far beyond the checks and balances of the Department of Indian Affairs and Northern Development. The lives of many people living on reserves are being regulated by one department. That becomes very problematic. If we had multiple jurisdictions that would be fine.

We are finding that what resonates with the public is a municipal style of self–government as being an appropriate model. We have an example in the Sechelt Band, in my riding.

• (1040)

The final question posed deals with the cost and the negotiating mandate. The negotiating mandate provincially and federally, the way it sits right now, is a cabinet secret known only to the federal and/or provincial negotiators. Public ratification of that negotiating mandate is a major shift in thinking that has gone on and something that is being asked for more and more and something we promote.

Mr. Boudria: Madam Speaker, I rise on a point of order. Given that the 10 minutes have now expired, I wonder if we could ask for unanimous consent to revert to the tabling of reports by standing committees.

The Acting Speaker (Mrs. Maheu): Is this agreeable to everyone?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

CITIZENSHIP AND IMMIGRATION

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, I have the honour to table today the ninth report of the Standing Committee on Citizenship and Immigration.

I thank members of the House for their unanimous consent.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, the Bloc Quebecois presented a minority report on the issue of immigration counsellors. This is a very serious issue. We agree with the diagnosis: we are indeed confronted with a serious problem. Some counsellors are good, but the ethics of others are questionable.

But we differ on the constitutional issue, since we maintain that it is up to the provinces, and not to the federal government, to regulate trades and professions. That is the reason behind our minority report.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—BRITISH COLUMBIA LAND CLAIMS

The House resumed consideration of the motion.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Madam Speaker, it is an honour to rise again in the House to address this resolution. However, the motion has no thought behind it and therefore gives no idea of its consequences. I do not even know why we are entertaining such a motion. I honestly feel that we are not doing our job here debating it.

This motion, as it is written, goes against the very democratic fabric of Canadian society. Basically it asks the federal government to stop doing business with a duly elected majority provincial government. If we were to stop conducting business with the current government in British Columbia we would be insulting the majority of British Columbians who voted for this government.

Perhaps this is not the intent of the motion. Perhaps the intent of the motion is even more appalling. Perhaps the opposition party does not want the government to continue doing business with the duly elected government in British Columbia and not do business with the aboriginal people in British Columbia.

What is it we are debating here? Are we debating whether the provincial government has a valid mandate or are we debating a motion based on race? If race is the issue, perhaps we can ask the hon. members of the opposition if they have any particular wishes regarding Sikhs in British Columbia, the Chinese people in B.C. or other minority groups, or are they just willing to continue this debate on aboriginal people in B.C.?

I might remind hon. members that the negotiations to create the provinces of Alberta and Saskatchewan were conducted in 1904, four years into the mandate of the second Laurier government. Would the hon. member have wanted these talks to be put on hold because the federal government was facing an election the next year? The second world war began four years into the mandate of Mackenzie King in 1935. Did Parliament say that it could not get involved because the Prime Minister had to go to the polls? In 1956, the last year of the St. Laurent government, the UN emergency force was created, thanks to the work of Lester Pearson. He won the Nobel prize for his efforts.

If the hon. member for North Island—Powell River had been sitting in the House back then he would have said: "I object. Canada cannot enter into such an important international commitment, not with just one year left in the government's mandate".

Let us look at the history of treaty negotiations with the aboriginal peoples. Treaty 7 was signed in 1877. The Macdonald government had been in office since January 1874. It faced an election. It would come in the fall of 1878. Was there any question then that the government had no mandate to sign? Of course not.

• (1045)

Treaty No. 8 was signed in 1899 when the Laurier government had been in office for three years. It would go to the polls the following year.

In our time, the James Bay agreement was signed a year before the end of the Quebec Liberal government.

Would the hon. member for North Island—Powell River be prepared to defer his authority on votes on issues that come before the House because the other parties in his constituency have not nominated their candidates yet or have nominated them but there has not been an election yet? Of course he would not.

Let us not hear any more self–righteousness from the Reform Party with its claims that it speaks for the people. The people elected the hon. member for North Island—Powell River on October 25, 1993, just as the people of Sault Ste. Marie elected me to come here.

Why have a Parliament at all? Why not just have an office where public pollsters send their findings to the bureaucrats? If that is the argument of the hon. member for North Island—Powell River, I invite him to give up his seat, go back home, take up his old job and do something worth while.

The First Nations in British Columbia have waited 200 years to reach agreements. Most have never had an opportunity to sign an agreement outlining their rights. That is an historic anomaly in Canada which the Liberal government inherited from the leader of the Reform Party of B.C. He was a minister in the Social Credit government that signed an agreement with the Nisga'a. He was on the committee that pushed the B.C. treaty process.

What do Reform members have to say about that? What have they said to the leader of the Reform Party of B.C.? Is he not a little embarrassed by the Reform Party in Ottawa about all his work and efforts of the past? I commend him. He at least had the courage to do something for aboriginal people.

In 1990 Premier Vander Zalm reversed a longstanding position of the province of British Columbia which held that aboriginal rights had been extinguished prior to B.C.'s entry into Confederation, or if the rights did exist they were the exclusive responsibility of the federal government. That has changed the climate out there. Premier Vander Zalm said: "You have been sitting there with the Nisga'a for 15 years by yourself. We will do these things. We will get some certainty for B.C."

The current government came into office in October 1993. We opened the doors in December 1993. Since that time 70 per cent of the just under 200 First Nations in B.C. have been at the table. They are doing it our way. They are saying: "We will trust you white people once more. We will not build roadblocks. We will come to the negotiating table". And this is the way they are treated.

The Reform Party has not voted for one piece of aboriginal legislation in the House in two years, except in the one instance when it benefited an oil company. When an oil company could make a profit vis–à–vis aboriginal people, the Reform Party voted unanimously in favour of it. That party says it will speak for the people, that it will come here with an open mind and not vote like a bunch of sheep.

Last week 42 Reform members showed up in the House to vote against the B.C. treaty process, the enabling legislation which allows us to sit down with the First Nations. Yet Reformer members stand every day to denounce Adams Lake and the Penticton blockade. So do we, but the difference is that we are prepared to sit down with the First Nations people. What I hear today is that the Reform Party will not even sit down with the First Nations people to negotiate.

I once said that the House of Commons in many instances sounds like the ill informed conversing with the ill intentioned on any given day. For the first time today I heard the ill informed conversing with the ill intentioned of the same party when they questioned each other.

I will give the Reform Party some correct information. Reformers said vis–à–vis the Nisga'a that we gave them money for negotiations. That is incorrect. It is based on loans 100 per cent. The people who are supposed to know the issues out there said that in the House.

• (1050)

Let me go back and refer to some of the history. I am in cabinet representing the poorest of the poor people in the country. Most of the time I am on my knees and my colleagues know that.

Just before the election when we were hoping to be elected, we said that the Pearson airport deal was illegal and immoral and that if we were elected we would reverse it. Why? We alleged there were a lot of people making a lot of money. There was a lot of lobbying and a lot of money being made by lobbyists. A few weeks before the election we came into the House and who defended the lobbyists and voted against the legislation? It was the Reform Party.

Reformers should think about what they are doing today vis–à–vis aboriginal people and what the Reform Party did in the protection of lobbyists on the Pearson airport deal. Reformers are saying today that there may be an election a year from now because the opposition parties are opposed to dealing with the poorest of the poor. However they will stand here righteously two weeks before an election and defend the right of lobbyists

to make a bundle of money. It gives Canadians an idea of the priorities of that party.

They say: "Let us have a referendum". This is much the same. It is another way of saying we should have a referendum. I remember last year when this was placed before the Prime Minister as an important issue. They said: "Let us have a referendum". The Prime Minister said: "It is our job to make decisions and if we do them well we will be re–elected; if we do not we will be turfed". When will Reformers learn that, as we did in 1984? Reformers will learn that because the public is coming to understand the Reform Party.

Reformers thought they were the party that would talk about fiscal responsibility and bring a new spirit to the House. Instead they found a party that lusted badly for power. It had such an anti–francophone bias they were willing to destroy the country on a fraudulent question to which the answer was yes by 50 per cent plus one. It shows the public the bias of the Reform Party. It shows the public how badly the Reform Party leader wants to be Prime Minister of Canada, that he would do that, destroy the country on a 50 per cent plus one response to a fraudulent question.

I sat here and I listened. I have waited two years and listened to aboriginal bashing from the Reform Party. Some Reform members actually go out and talk to aboriginal people, an insignificant portion of that group that is deserving of respect. An insignificant number of Reformers know what the Reform Party is doing, and that it is wrong.

After two years the Reform Party has an interim policy on aboriginal issues, but it did not talk to the aboriginal people. The leader of the Reform Party says that they did not. I do not know if they could not find them; there are a million and a half aboriginal people out there. There are 608 reserves. There are 50 tribal councils. Where was the consultation? It did not exist.

A key member of the committee that devised this is the member for Athabasca who said, and it is there in two papers: "What is this treaty? The treaty process is a fraud". We negotiated in good faith and now they are saying it is a fraud. "We defeated these people". I notice an uneasiness on the face of Reformers because those with a conscience know that what that member said was wrong. He was a member of the committee that devised this. He said: "If we did not defeat them, why did they allow themselves to go to small, worthless reserves?"

There are only two ways of looking at it. We said the treaty was honourable. We made these agreements and told them in B.C. that some day we would get to them. We finished the numbered treaties at Edmonton, Alberta. We said we would with the honour of the crown and the honour of Canadians sit down with them. Or, we can take the attitude of the member for Athabasca, a member of the Reform Party. I refuse to use a name in the House again unless I put the party behind it. The member for Athabasca is a member of the Reform Party. He said: "We beat these people. We beat them into the ground. That is why they are on small reserves. This treaty process is a fraud. Rebut that".

• (1055)

Then I heard another member of the Reform Party say that he knows all about reserves, that those people live in a south seas environment—I was in the House that day—and the men go around burning women with cigarettes. That is the most atrocious, ill informed, ignorant comment I have ever heard about aboriginal people. That was from the Reform Party.

Now we have the B.C. treaty process and Reformers do not even want us to go to the table and after 200 years do the honourable thing. What they would rather do is stand here and have us sing O Canada. At the same time they will say: "Side with the separatists". I see no difference. I see different geography but I do not see any difference with the separatists facing me or the separatists from western Canada to my far right.

They would say to the Prime Minister that they want the country dismantled on a 50 per cent plus one vote in Quebec on a fraudulent question. They say that day after day all week. Yet what did they waste the time of the House on last week? A crest. They would destroy the country but keep the crest. They can have their crest but I want my country. It will never be saved by the Reform Party.

This is the new insight. Let us process the situation. We have the Reformers' position on francophones. We can take them out of the equation of what is the Reform Party. We know their non–position on women. If I were a woman, I would be a little concerned. We know their position on immigration. They are for immigration but not to Canada. If I were an immigrant, I would be concerned. If I were a nationalist and wanted to keep the country together, I would be concerned. If I were a lobbyist, I would like that party. If I had big money invested in the Pearson airport, I would like that party.

What do we have left after we strip the philosophy of that party? Not much. That party stood here and told the Yukon Indians that the negotiations with them would never work. They came here. They stood in the House in their costumes. It was one of the proudest moments of our party. It is working. Yet the Reform Party said the Manitoba dismantling would not work.

I get a rough time in Manitoba from the media, and rightly so. Last week the Manitoba media reported:

> In Manitoba, Grand Chief Phil Fontaine and the Assembly of Manitoba Chiefs are currently negotiating one of the most progressive, daring and risky self–government initiatives in Canadian history. For the first time since Confederation, the federal government says it's prepared to give back to First Nations what many say was never relinquished in the first place.

Harvard University called the Manitoba dismantling the most progressive move in self–government negotiations in the world. The same party denounced inherent right; the Reform Party denounced inherent right. There were over a hundred editorials in the country by people who are paid to be critical. That is their job in the democratic process. A hundred of them were favourable and one was not favourable. The criticism was that we should have waited until the royal commission report.

Mr. Scott (Skeena): The people voted on the Charlottetown accord—

Mr. Irwin: I am not talking about the Charlottetown accord.

Mr. Scott (Skeena): You do not want to talk about it.

Mr. Irwin: —or a group of intellectuals sitting around discussing the Constitution. I will address the Reform. I am talking about the poorest of the poor, the constituents of the Reform Party that seems to think they do not count. Reformers do not consult with them. They do not talk to them. They do not meet with the chiefs and we have roadblocks. It is the job of the Reform Party to go out and represent these poor people. We were not elected to come here to cater to the rich, to the haves, to the white communities. We were elected to come here to cater to Canadians.

Mr. Scott (Skeena): What about the Bronfmans?

• (1100)

The Acting Speaker (Mrs. Maheu): Sorry, Mr. Minister. I ask for order, please.

Mr. Irwin: Once in the four–year mandate I would like to hear Reform members talk about the housing conditions and what we can do on reserves. Once I would like to hear a Reform member talk about suicide problems. I have to go out there and meet with people who have lost their children. Once I would like to hear the Reform talk about health. All we get is denunciation, denunciation of Indian people for one reason, because they are Indians.

The country will not tolerate that. What Reform learned in New Brunswick and in Abbotsford it will learn in the next election. The people of B.C. want to be proud of the members they send here. The people of B.C. are nation builders and what they see strips away that pride. The Reform Party will learn that in the next election.

When the Reform Party came to my riding it said to the steelworkers of Sault Ste. Marie when the company went under and the unions had to take it over "do not give them a penny". They now have eight months of profit and two weeks ago the men did it, the men this party does not want to represent. They now have $400 million in the financial community and have invested it. They are working, no thanks to the Reform Party.

Every time the Reform Party comes up to my riding of Sault Ste. Marie every steelworker there will know that along with all the other things I have said about Reform and the groups it excludes, it has excluded the working people of the country.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I listened very carefully to the minister. If he wants to blame the Reform Party for anything, he should first do his homework and pay close attention to this debate. He compares the Bloc Quebecois with Reform. Well, when I, as a member of this House, tabled a bill to limit the interest collected on delinquent mortgages, for example, Reform was not the only opponent. His party was also opposed, because it was eating into the fund, the large amounts put at its disposal by Canada's large banks, the so–called seven sisters.

So he is in no position to throw snowballs at the Reform Party. It is his party that abolished the council on the status of women. What I mean is that, in spite of everything, I recognize that native people have been here for 20,000 years, according to some experts, that they have rights, and that we must recognize these rights. What better way to do so than by signing treaties? I think that the party I represent in this House will oppose the motion tabled by Reform because it is unacceptable.

Some people who have been here for 20,000 years are being denied their very right to exist, while some first– and second–generation Canadians claim that they have all the rights. I feel that all the people here, whatever their origins, have rights, but why deny them to native people? Although I disagree with the minister, I say that we should oppose the motion tabled by the Reform Party because it does an injustice to an important group of fellow citizens.

[*English*]

Mr. Irwin: Madam Speaker, I appreciate what the hon. member has said. I see the member for Saint–Jean out there working hard.

However, we have a fundamental difference. We just went through the referendum. Last week we heard the guru of the Bloc. I thought he was gone but he just stepped to the back of the bus. He was quoted in the *Globe and Mail*. What did Mr. Pierre Bourgault say? It is the Jews, the Italians and the Greeks who vote in an ethnic block who are the racists, not us. They only have one objective, to obstruct things. They are saying these Jews, Italians and Greeks, because they want to be Canadians, are obstructionists. If we multiply that by about fivefold we have an idea of the Cree, the Montagnais, the Attikamekw and the Micmac and their feeling of alienation within the province of Quebec.

• (1105)

We have to have a uniform philosophy. As much as I appreciate what the Bloc is saying today it cannot blame the Reform for what is happening out in B.C. and have a different philosophy in Quebec. Reform in B.C. cannot side with us to protect the Indians of Quebec because it fits its agenda and because it is taking an anti–francophone position, but not do the same thing in B.C.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, I am not going to get into a long diatribe of rhetoric as the hon. minister put forth today against the Reform Party. The Liberal government does not have a monopoly on caring and compassion nor a monopoly on stupidity.

The goal we have today is shared by the minister and by every person in the House. Each and every one of us wants to ensure aboriginal people, particularly those who as the minister referred to are the poorest of the poor, are able to stand on their own two feet, and that we are able to decrease the terrible parameters of rape, sexual abuse, crime and violence that occurs within their societies.

I was going to ask the hon. member a question, but he has departed.

The Acting Speaker (Mrs. Maheu): The hon. member knows we do not refer to the presence or absence of anyone in the House.

Mr. Martin (Esquimalt—Juan de Fuca): Madam Speaker, the goal is to help aboriginal people, working with them in a co–operative fashion. That is the goal of Reform members, many of whom have aboriginal people in their ridings. We work closely with them to resolve these difficulties.

I listened to the individual responsible for the B.C. treaty process on Vancouver Island. I listened for one hour on what they were going to do for the aboriginal people. I asked: "At the end of the day will the B.C. treaty process actually help the poorest of the poor, the people I mentioned earlier? Will it actually help them?" That individual said: "I do not know".

That is the basis on which we do not approve of this process. The process will not help the poorest of the poor in aboriginal communities. That is what we want and I know that is what the government wants. The course the government is pursuing will not help the poorest of the poor.

Other concerns we have are in the resource management. Who will ensure the resources are taken care of? As the minister knows, at Stony Creek we saw a terrible tragedy with the timber on that reserve. We are also concerned about where the money goes. The minister well knows that aboriginal leadership in many cases has been known to pocket vast sums of money that was supposed to be going to those people who are the poorest of the poor. Those are our concerns.

Does the minister think the B.C. treaty process will truly help those aboriginal people who are the poorest of the poor? Who will preserve and safeguard the resources in the areas they are asking for in terms of land? Does the minister not believe that the fundamental and most important part of developing self–respect and respect in one's community is the ability for people, whether aboriginal or non–aboriginal, to stand on their own two feet and take care of themselves and be gainfully employed?

Mr. Irwin: Madam Speaker, I want this question because I often hear this member questioning the health minister and I have always wanted to respond to him.

This member is a doctor and we would think he would bring his skills to the House. If he brought those skills as a doctor to the House he would see the suicide problems we have in First Nations. He would realize that a lot of these suicides are a result of no self–sufficiency because there is nothing left. We took all the lands. We took it all.

• (1110)

He would realize that there is more than having social workers there. There has to be self–sufficiency. He would realize that where there is self–sufficiency, where there are richer reserves there is stability and there is health. He would go out and learn this. He would know what is happening there.

Instead he sits here in a nation that provided him with medical skills and encouraged him to go to school, subsidized him and encouraged him to go through school and become a doctor, to bring this knowledge and skill to the House. But he says: "Let us spread this poverty equally. They are poor. Let them go out and be self–sufficient".

The bottom line is when we negotiated these treaties, and he should know this, in many cases we spent a day or two. In British Columbia, with treaties 6, 7 and 8, in a couple of days with three treaties we took away a whole province. We took away the resources from the native people.

We have spent 200 years to not make the same mistake in B.C. and make sure there is some self–sufficiency there, that we have a vision and we can work together as partners. What does this hon. member do? He is going to vote: "Stop the process. Do not negotiate any further. Let those poor people fend for themselves". Shame on him.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Madam Speaker, I am pleased to address, on behalf of the Bloc Quebecois, the opposition motion.

I will read the motion, for the benefit of the members who are here. It goes as follows:

That the House urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the current provincial government mandate in order to respect the views of British Columbians on this issue as expressed by both major provincial opposition parties.

My comments will be twofold. In the first part, I will discuss the constitutional validity of such a proposal, and in the second part, I will deal with the issue of aboriginal claims.

Does a government, democratically elected in Canada according to the laws of the land and in compliance with our constitutional principles, have the right to govern? In other words, does a government that is the government have the right to be a government?

The Reform Party's answer to that question is no. Indeed, it is asking this House to urge the Government of Canada to not enter into any agreements to which a provincial government, duly elected according to the Constitution, would be a party, because such an agreement would not reflect public opinion, as expressed by the two major provincial opposition parties. In other words, the Reform Party is asking the House to ascertain, before entering into an agreement with a Canadian province, whether public opinion, as expressed by the opposition, is favourable to the proposal.

Our friends from the Reform Party do not seem to understand the nature of our institutions. This motion is wrong in the sense that it is an attack against the legitimacy of our institutions. It provides that the House should ask the government to determine, through polls, through supposedly scientific studies, perhaps through open lines in B.C., or editorials from the *Vancouver Sun*, the opinion of British Columbians, before entering into an agreement supported by the legitimately elected government of that province.

• (1115)

I am not sure whether our Reform Party friends realize what they are asking from the House. People participating in a political meeting could say: "Since the B.C. government is in the last year of its mandate, it no longer has the democratic or political right to —", and so on. As you know, it is easy to organize a partisan political meeting. It is easy to resort to inflated rhetoric and to exaggerate, so as to make an impact on public opinion.

The motion before us comes from an official party in the House of Commons. That party got 52 members elected in the last federal election and is now asking the House to pass such a resolution.

Let us change the wording a bit in order to examine the unbelievable nature of a resolution such as this. What, for example, would our reaction be if the motion were to read, selecting Quebec at random as an example: "That the House urge the government to not enter into agreement with the Government of Quebec on the sharing and devolution of manpower training until such time as the Government of Quebec has passed a motion in the National Assembly recognizing the landslide victory by the no side in the last referendum"? I think everyone here would say it was unbelievable.

To take another example, what would our reaction by if the motion were to read: "That the House urge the government to not enter into any agreement with the Government of Ontario as long as that government plans to cut back on welfare payments"? We would say it was impossible.

Yet here we have a government, the Parliament of Canada, being asked to pass judgment on the legitimacy of another duly elected government within a federation. The legitimacy of the B.C. government is just as important, just as valuable, just as constitutionally justified, as the legitimacy of the Government of Canada.

Just looking at the wording of the motion would be enough to make the Bloc oppose it.

But there are other grounds. Basically, this motion casts doubt on the entire issue, on the whole process for settling aboriginal land claims in Canada.

I have just listened to my Reform colleague's defence of the proposition. He touched on many topics. He spoke of territorial rights, of the fact that aboriginal people living on reserves pay no taxes. When it comes down to it, he has challenged the rights of these first inhabitants of Canada to demand any particular rights whatsoever to certain lands within Canada. He even referred to the B.C. Reform Party's program on aboriginal issues which proposes that it oppose inclusion of aboriginal self–government in the province's legislation. Yet, it has been in the Canadian Constitution since 1982. According to a Reform government out there, however, there must be no mention in any of the laws of B.C. of any entitlement whatsoever to aboriginal self government.

• (1120)

There was another resolution that I hesitate to mention here, because in many ways it challenges the position of minorities in Canada. According to the Reform Party's provincial platform, before aboriginal peoples obtain certain rights in Canada, they should first have the consent of the majority of the population.

It seems this party wants to propose that in British Columbia, minority rights shall be subject to the will of the majority. It is unthinkable, in a democratic country like Canada that recognizes the rights of specific populations subject to certain criteria, that these rights should be subject to injunctions or decisions by a majority of the population.

Basically, the Reform Party's proposal challenges the whole issue of aboriginal rights in Canada. That is its general purpose, but the Reform Party also challenges specific aspects. Some-

what ironically, the Reform Party's comments were fuelled by several kinds of issues.

There is a reference to the Nass River agreement now being negotiated with the Nisga'a in British Columbia. In fact, the Reform Party would rather see the agreement dropped, because of issues like commercial fishing rights, for instance. There are groups who are making representations. However, I think we should keep a sense of proportion in all this.

Today in Canada we have a major problem concerning aboriginal land claims. It is a problem that must be dealt with as quickly as possible, in a way that is fair to all Canadians and respects the rights of all concerned. The issue should not be used as an excuse to postpone agreements that may be finalized very shortly.

I think they are playing with fire, because today in Canada, there is a polarization of positions on these issues. If we read editorials in Canada or Quebec and listen to open–line shows, we realize that non–aboriginal groups are critical. They think there is some exaggeration in the whole issue of aboriginal claims, and they are right, but as a result of this situation, prejudice is rife, which is not conducive to good relations between aboriginal peoples and the general public in Quebec and Canada.

Opinions are becoming polarized, often with somewhat bizarre results. As an example of what will happen if we do not deal with these issues fairly quickly, I was reading a speech made by the hon. member for Churchill yesterday at a sacred assembly held in Hull. Now we should realize the assembly is more or less religious in nature and often the language is very symbolic. Our colleague said in his opening speech that the Creator had put aboriginal peoples in this part of the world known as Canada.

I agree one can argue that aboriginal peoples have certain rights because they were here before we were, because they were the first occupants, but I think it is a bit much to say the Creator put the aboriginal peoples in Canada.

This was said in a particular context before an audience of important dignitaries.

• (1125)

The Prime Minister of Canada was present at this gathering. Ministers of the crown were also in attendance. There was little reaction. The context is, however, a particular one. If native peoples get the idea now that Canada was given to the aboriginal people, like in the Bible, things are going to get tougher.

So, I think, in order to avoid things getting out of hand—because I think it could happen, and I am sorry to have to say it, out of respect for my colleague for Churchill—native claims have to be settled as quickly as possible and, in British Columbia, where things are developing, matters must be resolved right away. Because, in British Columbia, things go back a long way.

Between the end of the 1880s and 1990, native claims were not considered valid. In 1990, the British Columbia government began to recognize native rights, but only then. I heard the Minister of Indian Affairs say earlier that the situation of native peoples in Quebec was terrible. He said that journalists and some people are making remarks about the referendum vote. People are saying it must be awful for the native population.

In 1985 or 1986, the National Assembly of Quebec recognized 11 native nations. One of these nations barely has 500 members, but it was recognized because it had rights. The people of Quebec did not vote on whether a nation of 150 people constituted a nation. There was no vote. The National Assembly looked at the cultures and the characteristics of all the nations and recognized them. That is what happened in Quebec.

There is the James Bay agreement, which was signed in 1974 or 1975, as the minister pointed out. It was the first major agreement between Canada and the native populations. It was concluded in Quebec, while, in British Columbia, it was not until 15 years later that the territorial rights of native peoples were recognized and the validity of their claims acknowledged.

I think Quebec can hold its head high. The Montagnais of Lac–Saint–Jean, the Montagnais on the north shore and the Mohawks have always been respected. The Attikameks and the Maliseet are few in number, but worthy of respect and have certain rights they are claiming. It happened in Quebec. We, the people of Quebec, were among the governments and peoples of Canada to recognize the First Nations. We know that there is a Quebec nation, a Quebec people. But Quebec also includes other peoples.

We recognized 11 other nations. We negotiated. Our National Assembly recognized them. Agreements were signed with some of these peoples. An agreement is being negotiated with the Montagnais of the North Shore and Lac–Saint–Jean. Things were done. No one in Quebec told the government that it should not sign.

No one in the 1970s tabled a motion here in the House of Commons urging the Government of Canada not to sign an agreement with Quebec because the Bourassa government, which signed this agreement, was in the last year of its mandate. It was the James Bay agreement; it was not about fishing rights on a river somewhere. The James Bay agreement covers a vast territory. The Cree hold property rights over some lands, surface rights over others, fishing and hunting rights over other parts of the territory.

We did not undermine these people's rights by signing treaties with them. We respected them. We told them: "You are a nation, you will have territorial rights, you will be given money for development". It was not a bargaining session, as demonstrated by the fact that, in the last referendum, 95 per cent of these people—this figure is a little conservative; it is probably

higher—voted no in the referendum. Ninety–five per cent is a lot of people.

What this means is that, on some parts of this reserve, not a single person voted yes. No one in Quebec questioned these results or these people's legitimacy. No one accused them of being ungrateful after we gave them territorial rights. That is not how we do things.

• (1130)

We did not give them rights. They already had rights, which we recognized and enshrined in legislation. This legislation, this treaty, this agreement was also ratified by the federal government, which also had fiduciary rights and was a party to the case.

I hope that the House will carefully examine the content of this motion. First, it should realize that the motion limits the rights of a democratically elected government in Canada. Second, the motion challenges the rights of people in Canada who belong to a nation different from the so–called Canadian nation and from what we call the Quebec nation.

I feel it is important to be aware of all this and of native people's right to demand some land claim agreements in Canada. We must hasten to correct some visible mistakes that are emerging so that we do not end up in situations that would adversely affect the future for the people of Quebec and Canada and for all the native peoples in Canada.

[*English*]

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, it makes me curious when an hon. member refers to the Quebec people and the Quebec nation. I am not quite sure what he means by this in terms of the population of Quebec. This is a point of concern for me. Obviously I am a Canadian to be able to sit in this Chamber. I came to this country after the Hungarian revolution in 1957. My 10–year old daughter was born in Canada. My wife is Irish going back seven generations.

When we talk of people within the confines of a province, I want to make sure there is some definition to it. Looking at the demographics of the population in Quebec, the direct descent French is 74.6 per cent; British, 4.2 per cent; German, half a per cent; Italian, 2.6 per cent; Chinese, half a per cent; aboriginal, 1 per cent; Dutch, one–tenth of one per cent; east Indian, three–tenths of one per cent; Polish, three–tenths of one per cent; Portuguese, one–half per cent; Jewish, 1.1 per cent; Greek, seven–tenths of one per cent; Filipino, one–tenth of one per cent; Hungarian, one–tenth of one per cent; other, 5 per cent; people of multiple origins, 8.4 per cent.

Maybe the hon. member could clarify for me that all the people living in Quebec are indeed Quebecers and are indeed Canadian.

The Acting Speaker (Mrs. Maheu): I question the pertinence to the subject of today's debate.

[*Translation*]

The hon. member may want to respond, but I do question the relevance of the question with regard to the motion.

Mr. Caron: Madam Speaker, I will gladly answer the question because some members may wonder how to define a Montagnais, a Malecite or a Nisga'a.

Allow me to answer by first asking a question and answering it. How do you define a Canadian? As far as I can understand, Canadians are persons who live in Canada and call themselves Canadians. Our hon. colleague told us: "I am a Canadian. I have been living in Canada since the late 50s". He said he came to Canada from Hungary after the insurrection over there.

• (1135)

I am sure the hon. member calls himself a Canadian, probably in his Hungarian or Magyar mother tongue, and never doubts for a moment that he is a Canadian.

Similarly, Quebecers are people living in Quebec who call themselves Quebecers. These people's ancestors may have been established in Quebec since 1636, or for 360 years, like mine, or for just two, three, four or five years. Perhaps their mother tongue is Greek or Spanish. Perhaps they are like my hon. colleague from Bourassa, originally from Chile, who calls himself a Quebecer.

Therefore, a Quebecer is someone who lives in Quebec, claims to be a Quebecer and recognizes that he or she and the other people living in Quebec share the same identity as Quebecers. Of course, this identity is coloured. The Prime Minister himself mentioned in his distinct society proposal that it should be recognized that, in Quebec, we have a French speaking majority and a unique culture, although the Prime Minister told us yesterday that there was no Quebec culture. At any rate, such are the vagaries of politics.

We have our own civil law tradition inherited from old France. Of course, the people of Quebec have a colour, as do the people of Canada. From what I can see, the predominant language among Canadians is English. There is a Canadian culture defending itself against the American culture, and Canada also has its social and legal institutions.

In short, a Quebecer is someone living in Quebec who claims to be a Quebecer, like a Montagnais from the Lac–Saint–Jean region, who speaks the same language as me and looks somewhat like me, come to think of it. It is someone who says: "I am a Montagnais from Lac–Saint–Jean, living in Mashteuiatsh, attending school in Roberval, working at the Canada Employ-

ment Center in Roberval and proud to call myself a Montagnais".

A Montagnais is someone who claims to be a Montagnais and is recognized as such by other Montagnais, the same way that a Quebecer is someone who claims to be a Quebecer and agrees to belong to this nation, without any distinction based on culture, race or language. Quebec gladly welcomes everyone, as long as you call yourself a Quebecer.

[*English*]

Mr. Mike Scott (Skeena, Ref.): Madam Speaker, because I did not have the opportunity to address the minister's comments on debate, I will take the first few minutes of my intervention to address some of the remarks which he made.

It is difficult to listen to the sheer arrogance of the minister and the government on the subject of aboriginal issues. The minister talked about it being a democratic process. He talked about the Government of British Columbia being a democratically elected government which has a mandate to engage in the negotiations which are currently taking place. I beg to differ.

The current NDP Government of British Columbia was elected by 40 per cent of the popular vote at the last general election. That means six out of ten people who cast a ballot did not vote for the policies, the platform or the party which is now governing British Columbia.

When we speak about democratic principles, we have to recognize that the system of voting does not allow for a proper representation of the views of a majority of citizens on many issues, and this is one of them. This is a very important issue for British Columbia.

The second thing I want to address with respect to the minister's remarks is that he made the comment that natives have waited for 200 years to have the issue resolved. I do not dispute the fact that since Confederation the federal government has had the clear constitutional responsibility to deal with the issue in British Columbia and in other parts of Canada. However, in British Columbia for whatever reason, the federal government chose to abrogate that responsibility. It is not the province of British Columbia which has the responsibility to deal with the issue, it is the federal government. I might also add that for the majority of the time since Confederation there have been Liberal governments in Ottawa. What is the minister doing throwing stones at the Reform Party or anybody else when it is clearly the federal government and a host of Liberal governments since Confederation that have created the problem in the first place?

• (1140)

The third point the minister made, and one which needs to be responded to most strenuously, is the point that the Reform Party is not interested in helping the poorest of the poor. It is his government and him, as minister of Indian affairs, who is really deeply concerned about these poor people who live on reserves in Canada. I suppose he has a lock on caring.

A lot of native people live in my riding. There are a large number of reserves and nine Indian bands in total in my riding. I have written on behalf of many people who have come to see me who have demanded financial accountability from the minister. Can they get it? This $5.8 billion a year that the minister and the government is funnelling into aboriginal affairs is going to benefit a very few at the top.

The minister does not have any lock on caring for the poorest of the poor because it is the very people in these communities who are the poorest of the poor and they are not receiving the benefits the taxpayers of Canada are contributing. It is because of the minister's refusal to take on his responsibility and demand accountability that these people are in the position they are in.

I ask the House to recognize that although the minister may be making these grandiose statements and engaging in the flaming rhetoric that he loves to engage in so much, the reality is that the minister cares more about the entrenched leadership in Canada's aboriginal communities than he does about the poorest of the poor or the ordinary people. It is very clear to me that the leaders in the aboriginal communities are as much out of touch with their constituents as this government is out of touch with the people of Canada.

In talking about the land claim situation in British Columbia, we started by saying that almost nobody in British Columbia disagrees with the proposition that we have to resolve these longstanding disputes between aboriginals and the Government of Canada. No one disputes the fact that we have to get these outstanding claims resolved and get on with life. No one disputes the fact that there have been injustices done to native people historically and I might add in contemporary times.

How did we get to be where we are today? The government is saying that there is a a huge problem out there which has to be dealt with. The government says it has a mandate to deal with it, although there are many who would disagree with that, so it has get on with it and it is going to engage in a modern treaty making process in British Columbia.

We have to go right back to the Act of Union by which British Columbia joined Confederation to understand where we are today. By that Act of Union in 1871 British Columbia joined Confederation with an agreement that the federal government would be responsible for all existing and future obligations to aboriginal peoples. That is stated in the Act of Union. The federal government has a clear responsibility going right back to the day that British Columbia joined Confederation. However, it has never addressed that responsibility and that is why we are in the situation we are in today.

Going back to the 1970s some Indian bands decided they were going to commence legal actions to have their grievances aired and dealt with because they could not get them dealt with any other way.

The most famous legal case, the one that is the pre–eminent legal case in Canada today with respect to aboriginal issues, native land claims and the inherent right to self–government, is the Delgamuukw case. This was launched by the Gitksan–Wet'suwet'en people who also happen to be within the riding I represent.

• (1145)

The B.C. supreme court listened to 360 days of testimony, to all kinds of anthropological evidence, oral evidence presented by the elders of the Gitksan–Wet'suwet'en people, listened to all kinds of legal arguments made on their behalf. At the end of that process when the court rendered its decision it found clearly that there is no inherent right to self–government and there is no aboriginal title to land.

The court also found that the federal government had a constitutional obligation to address the issues of concern to aboriginal people and urged it to get on with it. In the meantime, after the court decision was rendered the Government of British changed. We had an outgoing Social Credit government and an incoming NDP government with an ideological bent on this issue, fervent in its belief it has to deal with the land claim issue in a way the province has never considered doing until then.

What did it do? The Gitksan–Wet'suwet'en people are continuing with their court action. They have appealed the decision to the B.C. court of appeal. The province of British Columbia fired the successful legal firm of Russell & DuMoulin, which had won the Delgamuuku case on behalf of the people of British Columbia, and replaced it with the firm Swinton & Company, a registered paid federal lobbyists in 1994 on behalf of the very people it was to be squaring off with in court, the Gitksan–Wet'suwet'en people.

Furthermore, Swinton & Company was also engaged in an action on behalf of the Gitksan in the B.C. supreme court against the province of British Columbia at a time when it had accepted this landmark legal case to represent the province of British Columbia on the very issues it was fighting the province with on behalf of the Gitksan at the time it was appointed. Talk about a conflict of interest.

This is the way the NDP government in British Columbia has behaved with this issue. It wanted a political decision from the court. It was not prepared to allow the process to be followed through as it should have.

In following the ideological rather than the legal decisions of the court and totally ignoring how the people of British Columbia, and in Canada for that matter, voted against the inherent right to self–government in the Charlottetown accord, British Columbia in concert with the federal government went ahead and started to try to implement these things anyway, much as the federal government is trying to do with distinct society and a veto for Quebec in the unity issue right now.

This is a slap in the face to British Columbia and a slap in the face to democracy. When the people have spoken in a democratic referendum and the government ignores that decision and goes about implementing the decisions anyway, legislatively rather than through constitutional change, that is a clear slap in the face to the people of Canada, particularly the people of British Columbia.

The native population in British Columbia voted against the Charlottetown accord with almost the same percentage as the non–native population did. I have talked to enough native people to know very clearly they do not favour this notion of inherent right to self–government. I am talking about the ordinary grassroots people, not the chiefs, not the people benefiting from it.

Now we have a process in place designed to achieve ends the public does not support. They are not supported by legal jurisprudence. The public is shut out of the process. There is no opportunity for the public to even be involved. What do we have but a bunch of bureaucrats getting their marching orders from Ottawa and Victoria. They are up in my riding negotiating with the Nisga'a. We hear rumours of these negotiations although we do not even know for sure what has or has not been put on the table.

We hear rumours of a potentially massive conveyance of land, $175 million in cash, 2,200 square kilometres of land and a constitutionally protected right to 30 per cent of the Nass River fishery on a basis of forever and ever. Let us not forget the deals will be set in constitutional concrete. They will be forever. It is vital that we not make mistakes. Of course, the governments of the day are totally ignoring that.

• (1150)

I took the time to canvass people in my riding. One of the reasons I became so deeply involved in the issue is that I was receiving hundreds of letters and phone calls from constituents extremely uneasy with what they perceive to be a process taking place behind closed doors with the potential to alter the social fabric and the economic fabric of British Columbia with no legitimate opportunity for public input.

As I said before, there are many parallels to the current national unity issue we are seized with. There are two agendas in Canada, the government's and the people's. Most of the time those agendas are not in sync. The government is proposing to give distinct society status to Quebec and to provide vetoes on a regional basis, but it is not in sync with what the people of Canada want. We can understand why the people of British Columbia, in particular the people of rural British Columbia, are uncomfortable with the current process. There is no legitimate

opportunity for them to be involved. This is all going on behind closed doors.

The ratification process proposed by the government is that once an agreement in principle is signed it will be brought to the House for a vote. That means for the most part there will be members of Parliament from the rest of Canada voting on legislation which will have major, long term, far reaching consequences for the people of British Columbia, which has a leaderless, lame duck administration in Victoria that has lost virtually any shred of credibility.

That is the thrust of the motion today. It is in recognition of the fact that the Government of British Columbia has no mandate and has never sought a mandate to be involved in negotiations of this magnitude. It has no credibility with the public. Its administration is in shambles. It is caught up in scandal. The aboriginal people of British Columbia, the ordinary grassroots people, are saying: "We are not represented in this process. The people negotiating on our behalf do not have a mandate from us. We do not feel comfortable with it. We do not feel comfortable that this will ever benefit us. We think it will benefit the leaders. We think it will benefit the negotiators".

We are in the process of entering into agreements which will forever change the landscape of British Columbia. They have the potential to do that.

In canvassing my constituents, which I have taken the time and the care to do, they have said very clearly they are looking for finality and extinguishment. They want an end to the division. The root cause of most of the problems in which native people find themselves is that we have treated them separately from day one. We have never given them the opportunity to be ordinary Canadians. We have never treated them as if they are able and capable of looking after themselves. We have built a pervasive welfare system around native people in Canada which has robbed them of their dignity, their self–esteem and their initiative.

• (1155)

The minister was talking about the poorest of the poor and what we will do about aboriginal housing and about the plight of these people.

Friederich von Hayek talks about the Liberal philosophy and the socialist philosophy, which are virtually indistinguishable in this country, and he talks about fatal conceit. The fatal conceit is that people elected to government somehow feel like they have a God given ability to correct all the problems of people and society rather than letting those people have the opportunity to resolve their own problems.

It is because of these interventionist, elitist, arrogant, top down policies created by government and driven by government, supposedly to solve all the problems, that we have the problems we see on native reserves today.

What we are doing in this process right now, from my window, is creating new and better ways to separate people by race. We are saying the way we kept them separate and distinct and apart from Canadian society in the past has not worked. It has been a failure. The Indian Act is no good. Virtually everybody agrees with that now. We will find a new and better way to keep them separate. We will find a new and better way to give them a status different from that of ordinary Canadians.

In the long run and maybe even the short run that as well intentioned as some members opposite are on this issue, and they feel this will resolve the problems of native people, it will entrench them that much deeper. It will not solve their problems.

As the member for Esquimalt said in his remarks a few minutes ago, we should be considering what is right, doing what will actually work; an encouragement to these people to take control of their own lives on an individual basis and forget about expecting the government to solve their problems because the government has a disastrous track record in that regard.

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, I listened with great interest to my hon. colleague's remarks this morning, as I did with preceding speakers.

For the record I will read the subject of the motion the Reform Party put forward today and then talk about the hon. minister's objection to it and why that is. In part it states:

> That the House urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the current provincial government mandate.

The hon. minister said that for the federal government to do that would be insulting. I find that strange and more than a little contradictory because it is the same government that had no problem in arguing quite successfully that the EH–101 helicopter purchase which the Tory government had entered into was not right and we should not be doing that as a nation, that we should not be spending the money on that.

It argued the Pearson airport deal was not right because it was entered into in the dying days of the Mulroney administration and should be cancelled.

It does not find that insulting, to back out of commitments made by previous governments. Yet for some reason the hon. minister seemed to think today it would be insulting the Government of British Columbia to insist that we do not enter into any trilateral agreements with B.C. and the natives of British Columbia in the dying days of that administration. I find it more than a bit puzzling and I wonder if my hon. colleague would care to remark on that.

I note with interest that the hon. minister spent almost his entire 20 minutes bashing Reformers for being aboriginal bashers. I find that puzzling. That type of name calling and labelling is nothing new for Reformers. We have been labelled that and subject to those types of attacks right from the very beginning when we started our party. We are going to insist on carrying forward sensible arguments on this and other issues, even if they are non–politically correct arguments, regardless of how we are attacked or how often ministers openly attack us in the House.

• (1200)

Would the hon. member care to remark on what he has done. One of the things we have heard this morning is that the public is not well enough informed and the expectations of the native people have been raised. What about the awareness? What has this member actually done in British Columbia to bring to the attention of all British Columbians what is happening?

Mr. Scott (Skeena): Mr. Speaker, I thank my colleague for his question.

He is absolutely right. The minister began his remarks today by having the gall to question the Reform Party for even wanting to debate this issue in the House. He asked, how dare we to even want to debate this issue? Is this not a democratic institution? Is this not what this House is for? But, no, we should not be debating this. Anytime we even raise an aboriginal issue and want to debate it, we are labelled. Frankly that has an odour to it that I cannot abide.

Second, my colleague points out that the minister said that this would be an insult to the province of British Columbia if the government were to accept the motion of the Reform Party. For the benefit of members in the House who do not live in British Columbia, I could tell them how insulting the government of the province of British Columbia has been to the citizens of British Columbia in recent months. Its members have absolutely no regard for the public interest. They put their own interest forward all the time. They are so blatantly ideologically driven that there is no hope they could ever be re–elected as a government in British Columbia.

Yet this very administration is the one that is negotiating behind closed doors, in secret, with the Nisga'a and with other aboriginal groups right now and contemplating, as rumours go, making agreements that are going to have long term implications for British Columbia.

In response to the member's question on what I have done as a member of Parliament and as a representative of the people of Skeena since I was elected, I held a series of four town hall meetings in my riding, in Smithers, Terrace, Prince Rupert and Kitimat. I brought the issue to the people and said that we need to have a public discussion on this.

Subsequent to that, my colleague and I went around the province of British Columbia. We held town hall meetings at Williams Lake, Quesnel, Prince George, Nanaimo, Cranbrook and in several areas in greater Vancouver. We have done as much as we possibly can to bring the issue to the people, something that the province of British Columbia, and I might add, the federal government have never cared one whit about doing, not one whit.

The reason I feel so passionate about this, and I mean this sincerely, is this. What is going to happen if the province of British Columbia and the federal government sign a deal with which the people cannot live? The native people's expectation levels are at an all time high. They have been led to believe that these agreements, once they are entered into and signed, are going to be abided by, that they are going to be honoured. We already have opposition parties in British Columbia saying that they do not intend to honour them.

Think of the tremendous social upheaval we are going to have if governments sign agreements with which the people are not going to live, which the people do not want and will not accept. It is absolutely critical that we do not sign agreements unless we are sure they are going to be supported by the public.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I would like to congratulate my hon. colleague from Skeena for actually standing up and saying what he wants to do to help those that the minister referred to as the poorest of the poor.

• (1205)

It is interesting to compare both speeches. The minister went on a 20–minute diatribe against the Reform Party instead of stating what he was going to do for the people who he claims are the poorest of the poor in our society.

While we stand in the House talking rhetoric among political parties, those aboriginal people who are on or off reserve that are suffering from sexual abuse, violence and the poverty that they endure, are still out there suffering. We should be ashamed in the House to be seeing that happening.

Previous governments have created for the aboriginal people an institutionalized welfare state. They have done this by giving money to people in the honest expectation that it would help them.

As my hon. colleague mentioned, one cannot keep giving things to people and expect them to have pride and self–respect. Pride and self–respect comes from within one's person and it is rooted in the ability of the person to take care of himself or herself.

Contrary to what the minister said, I would like to ask my hon. colleague from Skeena, and for him to reiterate if he could, that the pursuit of the treaties is constitutionally and legally from the court's point of view, illegal.

What does he propose to help those people on or off reserve who are suffering from the terrible things that I mentioned previously? How is he going to help the poorest of the poor stand on their own two feet and take care of themselves? That is the root of the problem.

Mr. Scott (Skeena): Mr. Speaker, I thank my colleague for his question. It is very clear that the plight of native people in Canada, the tremendous social problems that we see on reserves, are a direct result of the huge welfare state that we built up around them. It is the arrogance and the elitist notion on the part of government that it can fix problems by throwing money at them and creating new programs and so on that entrenches these very serious human conditions on native reserves.

What is required is for the government to say first, stop treating aboriginals as if they all think and act and want the same things. They are not communists. They are individuals just like we are. They are individuals who have individual aspirations, desires, visions, hopes and dreams.

We need to break that welfare state, start dismantling it. We need to give a hand up to those people and encourage them to get out into the private sector, to become ordinary citizens and provide them with a one–time opportunity to make that transition easier.

We have to understand that the corollary of success is failure. The government cannot guarantee success and it cannot guarantee that people will not fail. That is axiomatic. That is something that we have to live with. It is a human condition. It is natural law, if you will. One cannot guarantee that anybody is going to be successful. All one can do is try to make the conditions as fertile as possible for success to happen.

I believe very strongly that when the government backs out of this interventionist mode it is in right now and allows native Indian people to take the bull by the horns and start controlling their own lives, we will see some failures. There is no question about it. However, we are going to start seeing successes. We will see more success as time goes by.

When we talk about having native Indian people as ordinary Canadians, I am not saying that I do not respect the culture. I respect the culture and I respect that there are differences. Those differences can and should be celebrated, but not celebrated in law, not entrenched in the Constitution, not entrenched in distinctiveness and separateness in law that is going to keep us apart forever.

The gulf between native and non–native people is widening all the time because of the policies of government, not because there is a fundamental problem. It is the policies.

• (1210)

The Minister of Fisheries and Oceans announced he was going to increase access fees for fishermen, but the access fees were only going to go up by 50 per cent for native fishermen but 100 per cent for everyone else. I am convinced the native fishermen did not ask for that. It was this minister who came up with some woolly–thinking policy that this was what he should be doing. What it does is create division. Why is it that we have the problems with the native and non–native fishermen on the Fraser River system? It is because government created a policy that allowed access to a resource on a different basis based on race. That has to be done away with.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I will be sharing time with my distinguished colleague, the hon. member for Vancouver Centre.

The motion put forward is an interesting one and I respect the spirit in which it was put forward. It raises issues going to what is called the lame duck status of government. It is a principle of American constitutional law that I think sensibly could become part of Canadian constitution law, but it is limited in its potential application to actions taken by governments between the dropping of an electoral writ and the return of the electoral writ and the formation of a new government or the continuance of an old one.

Having said that, I would like to enter into discussion of some of the very interesting issues that have been raised. This is a subject, rightly said, of special concern to British Columbia. British Columbia, as we all recognize, is not a province like the others and in the area of land claims we do have elements of distinctiveness that separate us off from the other provinces of Canada.

The substantial absence of treaties is one very important consideration which has led to a proliferation of sometimes overlapping claims. Perhaps this is one of the reasons for the public discussion and the lack always of full understanding of how these complications can be removed.

I leave to one side the issue of the status of treaties, which is something that has always interested me professionally. Do they have international law status, as some argue, or are they simply constitutional documents within the ambit of provincial law?

Elements of concern have been expressed in this debate on which perhaps we could offer some clarification. I was, I think, the first to suggest the implications for Canadian law of the International Court's judgment in western Sahara in 1975 and the two concurring opinions which rested very strongly on the argument made by then counsel, Mr. Bedjaoui who is now the president of the World Court. Let me say that although I think they do raise the intellectual challenge very effectively, which

the court has recognized, to the concept of acquisition of territorial title and sovereignty by European colonial powers, they do not necessarily raise any implications as to the dispositions in view of that and in substitution for that. These are issues to which a body constituted on an independent basis like the treaties commission, armed with the facilities for research and the time for thinking, can offer fresh light.

Let me say that it is a misconception to assume that automatically by querying the original basis of acquisition of sovereignty over North America one automatically displaces supervening claims. In fact, in the most recent international law act, the two–by–four treaty, the treaty between the four occupation powers of Germany and the two Germanies about to be reunited, there is a specific clause that effectively saves supervening third party rights. It leaves open the issue of how one balances the claims.

What I am saying is that one anticipates in British Columbia an orderly process of claims adjustments and settlements in which the claims of everybody can be and will be considered if properly presented by counsel as is counsel's duty. As yet no definitive answer can be given, but it should bring some satisfaction to many of the people who have raised these issues with us to know that the orderly process does allow taking into full account the acquired third party rights.

• (1215)

In a sense the legal problems in British Columbia are sui generis. They are peculiar to British Columbia. To a large extent we get into conflicts between different cultural conceptions of law: the European concept of fixed territorial frontiers and non–European concepts which may emphasize mobility and expression of territorial interests in which land is secondary or subordinate to the notion of ethnicity. It is an interesting example of the clash of legal concepts. It is the sort of thing I expect the commission will consider because it will have to be considered in the process of the settlement of land claims.

The issue of the participation and consent of local communities has been raised. It has been asked if there was full consultation. I cannot speak of the particular cases now being cited in the debate, but on the precedent that the federal government followed in the bill which was before the House in relation to the northern territories, there was a very substantial provision for consultation with local interests. I believe there is nothing in the implementation of the commission process which prevents local interests, local municipal authorities and others from bringing forward their views and making their arguments. It is not excluded by the act. The initiative rests with those concerned.

When an independent commission is set up, it takes on a life of its own. It develops its own precedents. It is very much dependent on intelligent lawyer–manship by those people who want to bring forward their own interests and their claims. The commission is a body which has interesting people appointed to it. They are independent in their outlook. I would suggest to hon. members that they exercise to the full the process of making known to the commission the different and sometimes conflicting interests of the different people involved.

One of the great problems in British Columbia which distinguishes it from the rest of the country is that, simply because of the absence of treaties, there has not been the process of the sorting out of claims which I encountered in my previous professional work in dealing with, for example, the province of Alberta. This accounts for the overlapping and competing claims which sometimes, in the superficial extent, exceed the total amount of land involved in a region. This can be sorted out and sensibly, this is the mandate of the commission.

Problems of this sort complicate the matter in the public perception. In terms of the commission, I believe it is an excellent step forward. I am satisfied with the independence and the quality of the people concerned.

I urge hon. members to indicate to their constituents, particularly to the very thoughtful people at the municipal level that the process is not closed. The door is open for participants to bring their interests forward. The commission itself is not in the position of deciding on a dichotomous basis all here or all there. There is room for the acceptance of third party claims. There is room for apportionment of benefits. Following the international law as it has developed since the Western Sahara case, international law itself is in the making. One would expect equitable settlements in which the largest possible range of participants is involved.

• (1220)

It is a new approach to the pluralizing of our legal system and the participation in it. This is better than doing it through the court system as such. Of course, decisions of commissions are also subject to limitation and control by the courts in respect to ultimate constitutional principles. Everything done is under the Constitution and under the charter of rights. The charter of rights as we know is a house of very many rooms.

I compliment the speakers on both sides of the House on the fervour with which they have entered into this debate. I have taken note of the points they have raised, but I believe they can be achieved within this ambitious process that the bill the minister originally introduced involves.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the hon. member talked about a substantial absence of treaties in British Columbia. That is correct. The assumption is often made that because there is a substantial absence of treaties and largely a reserve system in place, there is somehow an overriding legal obligation on the part of governments to enter into treaties.

A legal counsel for the Department of Indian Affairs and Northern Development confirmed to me very recently that the current federal government position is that there is no legal obligation or imperative on the part of the federal government to enter into treaties in British Columbia. That is certainly consistent with what I had thought. It is also consistent with the position of the provincial government.

This means to me that government should only be entering into this process if there is something in it for all parties. This is the quid pro quo or trade–off I mentioned in my speech. My first question for the member would be whether that indeed is his interpretation as well.

There was some discussion about an independent commission. I assume the member is talking about the B.C. Treaty Commission. There was some debate about the B.C. Treaty Commission recently in the House when we debated Bill C–107, which is the enabling federal legislation, albeit quite tardy.

The terms of reference of the B.C. Treaty Commission actually leaves it rather toothless. In most areas of endeavour the commission can suggest but it is not very much of a decision maker. The commission is called the keeper of the process. Some things as basic as readiness guidelines for some of the participants in the negotiations were not foreseen at the time the enabling legislation was put together. For example, regional advisory committees do not have readiness guidelines that fall within the terms of reference of the B.C. Treaty Commission. This has been pointed out by many parties as a shortcoming. Therefore, it has no mandate.

What has happened in some circumstances in B.C. is that negotiations have pushed ahead by either the federal and/or provincial negotiators without the regional advisory committees actually being ready. This is quite a handicap and of course creates consternation at the local level. My second question would relate to that area.

The third and final area I would ask the member about would be the role of municipalities which he mentioned. Municipalities are recognized nowhere in the B.C. Treaty Commission terms of reference. There is a separate provincial memorandum of understanding. They are kind of a sidebar arrangement with the province. The municipalities through the Union of B.C. Municipalities are saying that their actual costs already, early in the process, are at least double that which the provincial government is compensating them.

• (1225)

I would say the door is not open. The door is ajar. It is a very unsatisfactory situation. There must be a much better way to approach this subject. Does the member have some suggestions in that regard?

Mr. McWhinney: Mr. Speaker, I thank the member for his very thoughtful series of questions.

On the first point, what we are talking about relates to what I spoke of as the ambiguity in the term "treaties". What one is really seeking is a movement from unwritten or customary law to written law. This could be done by a contract, by legislation or it could be done by something else. The ultimate aim of the process is to reduce to written uncontrovertible form what the legal rights are. The complication I referred to of overlapping claims is virtually inevitable and it has been demonstrated in jurisdictions other than our own when we do not have things written down. That was the big advantage of the treaties in whatever legal category we put them to.

On the commissions, my own experience in administrative law and public administration is that it depends a good deal on the imagination and the civil courage of the commission itself and the players in it. The players include the lawyers and others appearing before it. To a very large extent an ambitious commission establishes its own agenda. It redefines its own mandate. I encourage all parties interested in the equitable disposition of B.C. land claims to try to do that.

On municipalities, the hon. member was right in saying that the specific provision is not there. There is nothing excluding it. Since they are major players in relation to the third party claims, supervening claims, subsequent to any original title, such as it may be, municipalities are directly involved and they are important players in the political processes.

In the previous federal legislation relating to the northern territories there was an enormous amount of provision by the federal government for consultation of local interests. I think the encouragement would be to the municipal councils where they have legitimate interests that they feel they want to express to communicate them. The answer can only be no or "yes, we would love to hear you". I would think in a facultative sense a good commission tries to do just that.

It is law in the making. A good deal will depend on the good faith, good spirit but also the professional preparation that interested parties do. That would be the main message I would encourage our B.C. voters to adopt in this approach.

I thank the member for his questions. I would add that the debate we are having today constitutes in legal terms travaux préparatoires, which simply means that it may be cited as evidence for the future of what the law in this area should be and is.

Mr. Duncan: Mr. Speaker, there is one further area I would like to explore with the member and I will do it very quickly.

There is a lot of concern and a lack of support for the way the negotiations are occurring. There is a lack of confidence in many people because the negotiations are run provincially by an aboriginal affairs department and federally by the department of Indian affairs. People consider it a total conflict of interest which is lopsided.

Could the member comment on that, please.

• (1230)

Mr. McWhinney: Mr. Speaker, I cannot comment specifically. My experience in negotiations in this general area was in situations where there were treaties in force, treaties 6, 7, 8 and 9. There the process of the negotiations was happy with all parties. If there is something at fault here it may go down to the handling of particular cases.

I just do not have the direct information. If there is a feeling of dissatisfaction, maybe that is a matter to take up directly with the commission and to be led as such. The commission would want to satisfy itself that negotiations have been properly conducted and evidence properly assessed.

I commend to the hon. member, if he has information, to bring it to the attention of the commission.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I am pleased to rise in my place today to respond specifically to the motion of the hon. member for North Island—Powell River that the House:

> —not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the provincial government mandate—

Inherent in the motion is the issue my hon. friend referred to recently, which is the lame duck issue that seeks to nullify the powers of any government in the last year of its mandate. This is the most cynical statement I have ever heard from any party of any legislature or House.

Does this then suggest that any process—and one in this case that is so clearly in the best interest of the people of British Columbia and of the aboriginal people—must be put on the back burner for political consideration?

Surely Canadians deserve to know that their governments can make policy decisions that are sustainable and not politically biased but people biased in the best interest of Canadians.

Government serves the people. Whatever the stripe of government, good public policy and the integrity of government as a whole must be kept sacrosanct.

Reformers are suggesting then, or are they, that they do not want to be bound by the decisions legally and morally agreed upon in a trilateral, provincial government, aboriginal people and federal government negotiated contract.

Since the 1800s, that is over a century ago, aboriginal people have been trying to negotiate validity of land claims with the British Columbia government. It has constantly rejected this validity based on the fact that it was a federal responsibility, or this is what it said.

The process has taken so long that finally in 1990 the B.C. government, a Social Credit government, took a major step and began a process to right this wrong. The three parties, that is the First Nations, the federal government and the provincial government, have since agreed to the process, and this is what is happening now.

I hope we will not accept this motion which in effect seeks to further delay the process. The people of B.C., the aboriginal people and the people of Canada have been waiting for far too long.

During the second reading stage of the bill that sets up the commission, members of the third party stood repeatedly and complained about how long the process was taking. Now they are seeking to set up another barrier to the process.

In 1989 we witnessed the end of the cold war and the Berlin Wall coming down. One year later it seemed that another longstanding barrier had been removed, a barrier that had stood between aboriginal peoples in British Columbia and the economic and social development to which they aspired.

Good governments must bring down barriers, not raise them as I see the third party in effect attempting to do with this kind of doublespeak. Future generations may well regard 1990 as a singular turning point in the history of British Columbia's aboriginal peoples, the year in which they were offered a glimmer of hope.

Settling land claims is the single most important thing that can be done in British Columbia to help aboriginal communities. Uncertainty over land claims has been a barrier to economic development for all British Columbians for quite a while. Uncertainty has hindered aboriginal participation in land and resource management. All British Columbians know that when we solve these problems it will mean greater self–sufficiency. It will mean jobs. It will mean employment for the people who have long been disempowered to take their rightful equal place in Canadian society.

In addition to the ownership of settlement lands in the area covered by the treaty, the final agreements may include specific measures to stimulate economic development. This may include resource revenue sharing. This may include sharing of royalties derived from resource extraction throughout the area.

• (1235)

It is not only economic good that we seek in these treaty negotiations. We have seen in the aboriginal sacred summit that began across the river in Hull last week, a summit of aboriginal elders organized by the hon. member for Churchill, that the attachment to nature and to the Creator by aboriginal peoples is a central element of their spirituality. Land claims are more than just economic; they are spiritual to the people of British Columbia's aboriginal communities.

I think the House would agree the decision by the provincial government to come to the negotiating table was of paramount importance. Prior to 1990 aboriginal Canadians in British Columbia were offered no hope and no equality of benefits. I remind the House of some of the developments that led to that turning point because in those developments there is a profound irony.

One key player in convincing the British Columbia government to reverse its historical opposition to negotiating treaties was the minister of native affairs for the province at that time, Mr. Jack Weisgerber. Mr. Weisgerber was a Social Credit cabinet minister when British Columbia decided to negotiate. Today he is the leader of the Reform Party in British Columbia. What irony that the decision was taken by a man who had vision unlike what is being proposed across the House.

In 1989 provincial governments appointed the premiers advisory committee on native affairs. The council travelled through the province and met with bands and tribal councils to suggest a solution to address the social and economic issues facing aboriginal people. They were not seeking to continue to erect barriers. And so the province began the process of coming to the negotiating table.

The advisory council made its recommendations to cabinet in 1990 and shortly thereafter Mr. Weisgerber signed the Nisga'a framework agreement. For the first time in the history of British Columbia a province was negotiating a land claim. Soon the B.C. government was deeply involved in the process of bringing the First Nations to the table.

B.C. participated in the First Nations summit and the province met with the federal government in B.C. By the time Bill 22 that created the legislative authority for the B.C. Treaty Commission came into the legislature, Mr. Weisgerber was no longer a cabinet minister but sat on the opposition benches.

However the new NDP government continued the process begun by the Social Credit government although it was of a different political stripe. By doing so it reaffirmed people's faith in the certainty of public policy free from the vagaries of petty subjective politics.

I quote what Mr. Weisgerber said at the time of the debate in the legislature. He pointed out that the strategy for government in British Columbia for 125 to 130 years had been to deny that a problem with treaties existed, a philosophy it seems the third party still continues to espouse. He said:

> It became increasingly clear to us, as we travelled and met with groups around the province, that if we were going to address the root of the social and economic problems, we had to deal with the land claim question.

This was a bold and visionary conclusion to make. It took great political courage. It overturned the accepted political wisdom of the day. It acknowledged a simple reality. It was a a daring act of great statesmanship by a politician who put the public good before political ideology. I urge members of the third party to take a leaf from that book.

In 1991 a new provincial government, the NDP government, accepted the recommendations of the last government. Also in 1991 a federal government accepted the recommendations of a provincial government that was not of the same political stripe.

Mr. Weisgerber went on to predict to the B.C. legislature that the First Nations would be very able negotiators. He urged the provincial government to negotiate every bit as effectively for the interest of all British Columbians. He said that negotiations had to be tough but fair.

These are the views of a British Columbian who is not only one of the founders of the current treaty process. I have quoted him at length because of the motion by the hon. member for North Island—Powell River. He asked that the federal government not enter into agreements in order to respect the views of British Columbians on the land claims issue as expressed by both major provincial parties. The leader of one of those provincial opposition parties, the Reform Party of British Columbia, is Mr. Jack Weisgerber, the man who in 1990 put justice before politics.

It is clear British Columbians want to get on with the task of resolving land claims and to become a stable environment for economic growth once again. The process is a good one. The aboriginal peoples approve and both levels of government agree. We cannot put the process on hold each time a government nears the end of its mandate. It is unjust, unfair and cruel.

• (1240)

Where would we be today if we had followed the logic of the hon. member's motion? We would actually be a federal Liberal government and an NDP provincial government not taking up a policy that was carried on in good faith because it was in the best interest of the people.

Back in May 1993 the previous federal government had been in power for nearly five years, since the 1988 election. The former Prime Minister had announced his intention to step down and the Progressive Conservative Party was in the middle of a leadership convention. Did the provincial government and the aboriginal summit say at that time: "Wait a minute. Maybe we shouldn't pass this legislation. After all, the federal government

is nearing the end of its mandate. Let's wait until the next federal election?'' Did they say that? Of course they did not.

Canadians elect their representatives to serve for a full mandate. The people hope that vicarious politics will not stop good public policy. This would leave to massive destabilization in Canada every four years and to a meaningless international trade and provincial controls. We have seen how this type of political grandstanding brought the United States government to a halt recently.

Let us allow the British Columbia government to get on with its business in a way that it deems appropriate. Let us get back to our own responsibilities for taking measures that will improve the economic and social prospects of aboriginal people in Canada.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the hon. member talked about the motion somehow being cynical.

Under normal circumstances a government in the last several months of its mandate does not enter into major binding commitments. If it does so, it is at the peril of the arrangements being cancelled. There is a clear precedent for that in the province of British Columbia and there is a clear precedent for that federally. This administration should know that better than anyone. This administration cancelled the EH–101 project. This administration tried to cancel the Pearson deal.

The province of British Columbia should voluntarily back off. However it has indicated that it wants a deal by January. The likelihood is that there will be an election between March and June. This is totally inappropriate for a precedent setting agreement. There are 47 other agreements being negotiated and this would become the precedent. As I mentioned earlier, $10 billion is the early price tag put on this business.

There was discussion about the Nisga'a framework agreement entered into by Mr. Weisgerber in 1991. I talked about it earlier in my speech. I quoted section 7.1.1 which is often used to say there was no openness in the agreement and that Mr. Weisgerber had agreed to it. I do not have to defend Mr. Weisgerber. However I can read what the agreement says. To me it does not say what it has been interpreted to say. I will read it again:

> The parties will together develop and implement a process of public information and consultation and will attend meetings with such selected individuals, organizations or groups as they may agree will assist in the process of public consensus building, and the parties may separately carry out such additional consultation and communication initiatives as they see fit, including initiatives to obtain a broad range of input and consensus.

Those are hardly cloaked in mystery, secret or non–transparent negotiations.

• (1245)

There is a further interpretation by the member that somehow our motion is suggesting there should not be any negotiations. That is not what we are saying at all. We are saying there should not be no conclusive negotiations, no conclusive agreement during this latter part of this current mandate at the provincial level.

It is a very simple, limited request. The member is misinterpreting it.

Ms. Fry: Mr. Speaker, I would be pleased to answer the two points. The first is that is appropriate to create a lame duck government in the last year of any government's term. This is so inappropriate.

This is a process that has spanned two governments. It is a process that began in the last year of a Social Credit government. It was picked up by an NDP government and continues to be carried on. It occurred because it was good public policy. Obviously, good public policy will be seen to be such and it must be a process that can be carried on.

If a provincial government should stop in a tripartite process with another level of government and with a group of people duly set up by their own people to negotiate in good faith, then when the provincial government does that in the last year of its mandate and the federal government does that in the last year of its mandate, once in every three years will we have any negotiation at any signatory. It makes every single level of government ineffective.

It also makes the aboriginal people, who are the third party negotiating with them, wonder whether this is a worthwhile process at all. It makes a mockery of any type of negotiated process.

Second, the hon. member referred to what Mr. Weisgerber said and to the changes in the process of the Nisga'a treaty since Mr. Weisgerber had set it up. He is right.

What Mr. Weisgerber did say, and I listened carefully to the quote, is not that we stop the process but that we continue to refine it as we find flaws in it. That is extremely appropriate.

What this member is asking is that we stop the process that has been on the table. Negotiations are going on. People may come to a conclusion any moment now and we must ignore all of the year's work that has been done to get to that point. This does not make any sense to me. It is an ineffective way for any government, any negotiations to take place.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, Reformers will be splitting their time from this point onward today.

I would like to rebut one thing the hon. member preceding me said. She seemed to imply that somehow Reformers would be creating a lame duck government, as she called it. In actuality, the NDP in British Columbia has done a very good job of creating a lame duck government all by itself. That responsibility rests with it and no one else.

We are now entering the 21st century. As we look at the B.C. treaty process we have an obligation to future generations of Canadians, aboriginal and non–aboriginal. We must enter into negotiations with a clear view of what we are trying to accomplish. I believe a fundamental objective to any negotiations with native Canadians should be equality.

If there are historical grievances they should be resolved. The end result should be equality, not the creation of two classes of citizens and not the creation of more special rights to individuals depending on race. We are all Canadians and government policy should not be based on guilt or some misguided sense of righting past wrongs.

British Columbians have recognized this. The opposition parties also realize the underlying principles of the current treaty negotiations in B.C. are flawed. It is time to look forward, not backward.

• (1250)

Certainly we must learn from the grim history of past Indian policies in Canada. However, what is the fundamental lesson to be learned? It is simply that policies which have given Indians special rights and status under the guise of protecting them have utterly failed. For many years Indians lost their status and right to live with their families on reserves if they received a university degree or if they defended our country or values in wars overseas. They were not even allowed to vote until the 1960s. Children were taken from their families and sent to foster homes or residential schools. Although Indian communities have known about it for decades, the stories of physical, emotional and sexual abuse suffered by those children are only now coming to light in the mainstream press.

Just this week the church has finally issued an apology for the suffering caused by its members.

That Indians were mistreated, used and abused is well documented. However, it does neither natives nor non–natives any good to dwell on the past. It will not solve today's problems. We must learn from mistakes to make sure we do not repeat them, but it is time to move on.

The treaty process in B.C. is going in the wrong direction. It is designed to perpetuate inequality. In the Constitution Act of 1982 aboriginal and treaty rights were given constitutional protection. That means any treaties we enter hastily into now will be virtually unchangeable, no matter how flawed or unsustainable they may prove to be.

Any legal obligations to Indian communities should be cleared up as soon as possible because until we do, the question of aboriginal title will remain unresolved and the legal uncertainty over the ownership of land and resources will continue.

Settlements must be affordable and settlements must be final. If the federal and provincial governments purport to represent the interests of all Canadians they will only negotiate what the courts have stated the government is legally liable for.

As far as I know, the courts have not said the government has to turn large tracts of land over to native communities. In the Delgamuukw case, as has already been stated, the judges recognized an aboriginal interest in the land but not an outright title. Therefore legally the crown does not have to turn over title to all lands that a band claims as traditional territory, but it does have to recognize certain traditional rights to use those lands.

We must respect these court decisions because they are based on the constitutional protection of aboriginal rights. Therefore any agreements the government signs should fully meet our legal obligations but should not go beyond them. If the government feels it has a moral obligation to offer more, then all such offers should be made outside of the treaty process.

The governments of the day do not have a mandate to incur unsustainable debts beyond their legal obligation in the name of our children. They do not have the right to create citizens–plus by enshrining new treaties which give additional rights based on membership in a particular band or community. This will soon be the 21st century, not the 12th.

I would be very pleased if any member opposite, in fact anybody participating in the B.C. treaty process, could point out where in the Constitution it states we must enter into new treaties. I recognize that existing treaties have constitutional protection but I have not found the section that states we must enter into dozens, perhaps hundreds, more treaties.

Government has a legal and moral obligation to resolve disputes or grievances with all Canadians, whether aboriginal or not. I am not aware of the case law which states we must use a treaty process to do it. In every other segment of our society grievances are settled with some type of finite, quantifiable compensation. Why not Indian claims?

It is long past time that historical differences were dealt with, but the end result should be some sort of cash compensation, not a treaty with constitutionally entrenched special rights or status. Cash settlements would allow individual natives to determine their own futures. They could start their own small business, buy land or put it in the bank for their children if that was their wish.

If land is to be on the table also then it should be transferred to individual recipients on the same fee simple basis as to all other Canadians who own land.

• (1255)

The tax exempt status of the current reserve system afforded by the Indian Act was based on a paternalistic idea that Indians would sell off the land to the first unscrupulous businessman who happened to walk by. Nobody, aboriginal or non–aboriginal, wants the Indian Act any more. That also means getting rid of the tax exempt status. If natives are to participate in today's economy they must participate on an equal footing with all other Canadians.

Anyone who might suggest this would not be just or fair as a settlement is guilty of paternalistic racism. If government or native leaders suggest land can only be transferred as reserve lands held in common, they are suggesting native Canadians are incapable of making sound business decisions and government must still be responsible for protecting native interests because they cannot do it themselves.

What is the legacy of past treaties? First and foremost, it is the reserve system. This was a deliberate policy by the government to isolate and concentrate natives in easily managed groups. It was a bad policy from start to finish. The poverty, low life expectancies, health problems and social problems found on so many reserves across the country cannot be a fluke. Natives from the east coast, from the north, from the prairies and from fishing communities on the west coast are not from the same cultures or traditions. The problems we see on reserves are not because the people are Indians. The biggest part of the problem is the reserve system itself.

I believe first and foremost that all Canadians should have the right to equal opportunities. No one should have special rights or privileges based on race. This means we all pay taxes and we all have access to the same programs. All third party interests should be taken into consideration. This is not what is happening in B.C. today. The majority of British Columbians have grave concerns about the current B.C. treaty commission process.

We must reach just settlements with B.C. natives as soon as possible so we can all move on. These settlements must be final, affordable and must extinguish all future claims to land, resources or special rights and privileges. Without equality we will never have long term social and economic stability in Canada.

The enormous social problems we see on reserves today cannot be addressed through treaties. Treaties and reserves are, in my view, a big part of the problem.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the hon. member stated there should be direct cash compensation instead of negotiated settlements with aboriginal peoples. Cash does form part of the settlements negotiated with aboriginal peoples. However, cash alone will not provide the kind of certainty and long lasting, enduring settlement necessary in this type of negotiation. This type of negotiation will benefit all of British Columbia in the end because we will be able to put these negotiated settlements to rest once and for all.

Negotiated agreements have been based on a range of benefits. There is a necessity to provide that range to continue to have an enduring and lasting distribution of rights for the native peoples, which have to cover harvesting rights, participation in wildlife and environmental management.

The hon. member said he did not know where there was a legal basis for settlement comprehensive land claims. In 1973 the supreme court ruling in the Calder case acknowledged the existence of aboriginal title in Canadian law. More recently, in the Sparrow case the supreme court recognized a constitutionally protected aboriginal right to fish for food. The courts have emphasized in these cases that the proper way to resolve outstanding claims to aboriginal rights and title to land and resources must be through negotiated agreements.

The hon. member said we should fee simple or its equivalent. That is exactly what we are doing. Perhaps the hon. member might acquaint himself better with what the treaty negotiation process is all about.

Mr. Hill (Prince George—Peace River): Mr. Speaker, as usual the hon. member opposite has covered a lot of ground.

• (1300)

She said I said I favoured direct cash compensation and that I did not favour negotiated settlements. That is ridiculous. That is not what I said at all.

I said I was in favour of cash settlements but obviously it will have to be negotiated. How can government come to some agreement on how much cash to turn over to the natives without negotiating it? That is an absolutely ridiculous statement. That is not what I was saying. The only reason she said that was she was hearing, as is so often the case, exactly what she wanted to hear when she was listening to my remarks.

That points to the fundamental problem Reformers have in the House and outside the House. We try to shed light on subjects that are politically sensitive, as so many are, whether outstanding native claims or immigration or gay rights, whatever is deemed politically incorrect to speak on.

When Reformers put forward the policies we want to put forward, we are attacked. If we spend all our time trying to defend ourselves from the statements we heard this morning once again in the House, we will never be able to put forward our own alternatives, which is the function of an opposition party, to put forward alternatives for the Canadian people.

That is the real question here. Will we have an open process? Will we have a process that welcomes input from everyone? Will we continue to see these types of settlements actually being done behind closed doors where there are a very few people included in the process: the native leadership, the native industry comprised of consultants and engineers and lots of lawyers. Will we broaden that to include the people themselves, not only the aboriginal people of British Columbia but the non–aboriginal people in the process and make them aware of what is happening?

Further, the member made a comment about the legal basis of these. What I was referring to is I do not see anywhere where there is a legal basis for entering into treaties. Yes, we have to have settlements. We have to have agreements. I do not see where we have to enter into a treaty which confers on one group special rights, constitutionally entrenched, not conferred on all Canadians.

As long as we have that we will see more divisiveness. We will be driving the wedge between aboriginal and non–aboriginal people deeper and deeper instead of trying to mend the problems of the past that I referred to in my speech and instead of trying to move beyond that eventually.

We cannot achieve equality overnight. The Reform Party is not saying we can wave a magic wand and all of a sudden we are all equal. We recognize that some segments of society, the poorest of the poor, are starting out a lot lower down and we have to give them a hand up. A hand up is not a continual and perpetual handout. The people do not want it and we should not want to give it to them because it is not the answer.

If a handout forever were the answer, certainly spending upwards of $9 billion a year on aboriginal programs within the confines the Department of Indian Affairs and Northern Development and outside would have solved the problem by now.

We are spending in the neighbourhood of $9,000 million on these people. Yes, we all want to see the problem solved, but throwing money will not solve the problem or we would have done it long ago.

It has also been said repeatedly today that a very select few, although a growing industry, are profiting from that, this Indian industry. When I visit reserves in my riding like Fort Ware, a disastrous example of a reserve, I see the assistance that we all so desperately want to ensure gets to the poorest of the poor is not reaching them. It is not doing the job.

No matter how much more we spend every year, it is not doing the job. We have to look beyond that. We have to look for new answers.

• (1305)

The whole thrust of my speech was that in the end the ultimate goal for all Canadians, aboriginal and non–aboriginal, must be equality, the equal treatment of all our citizens.

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I am pleased to participate in this debate today. I will address the actual decision or policy to negotiate treaties.

This government policy is more advanced in British Columbia than elsewhere across the country. A growing amount of concern is arising in British Columbia as this process takes place. The concern is not only in British Columbia but is starting to spread across the country. There is input today from grassroots aboriginals. Their concern is that this negotiation progress may lead to a situation in which there is just a transfer of power to a more local level where they still would not have any say as to what is going to happen in their lives. On the non–aboriginal side there is a growing concern that we do not know what is being negotiated.

When we look at the concerns arising we tend to think an approach was taken to negotiate versus going to the courts. By negotiating it stays within the parliamentary jurisdiction whereas if it were taken into the legal field it would be within the court jurisdiction. It is still here in the House. This negotiation process is seen to be the route to go.

When we get a good idea we have to market it for it to catch on and be accepted. There was not that communication for this policy and this approach to the situation. The concerns are mounting to a point that the concerns are being expressed in the provincial legislature in British Columbia by the opposition sides.

There have been statements that they may not recognize the existing agreements. I believe the Nisga'a band is the one most advanced and used as the example.

I do not wish to debate all the examples occurring within the negotiation process. I would like to address my remarks to the concerns. They are not only communication concerns from both sides of the table and the public. There is also the whole process of negotiation. If we put negotiation into a management–labour context, the membership knows what is on the table and what is being negotiated. The doors may be closed to the negotiation rooms when that is actually taking place but we still know the types of topics on the table.

The municipalities are suggesting they are not represented at the table. Another comeback to that is the municipalities are represented by the provincial representatives we elect. However, the problem is the information from the negotiation is not coming back to the people or is not even put to the people beforehand so that we know what is on the table, what is being

discussed and what the possible parameters are for a subsequent decision. That is one aspect of the negotiation process that is very faulty.

Another problem occurring and giving rise to concern is the various definitions. For example, there are a great number of Canadians who thought this negotiation process would be addressed to existing treaties or the historical treaties. I believe the government approach was to negotiate those treaties and come up with an extinguishment thereof, then satisfy that commitment made in our history and then get on to building life as Canadians in unity. What we are hearing now are things like modern treaties, living treaties, aboriginal rights, extinguishment. We do not really know what these terms mean. This again is causing concern.

• (1310)

When the Hamilton report came out it tried to address the extinguishment and aboriginal rights. One of the things identified in the Hamilton report, or before that, is that when the aboriginals go in to negotiate a treaty they leave all their rights at the door. They go in trying to see what they can get. That is not cricket in negotiations. When a negotiation is entered into, one does have rights somewhere which should be identified. Even between management and labour the previous contract is a starting point.

One of the things that is happening is the concept of rights. What does that mean? The Hamilton report tries to address it with the following point of view. When a treaty is negotiated, the decisions reached by all parties become the rights of all parties and the next time a treaty is negotiated it commences with those rights. The report also suggests we address the extinguishment aspect of this. Once the topic has been addressed and agreed on it is extinguished and no longer comes up. I believe there is an opening clause. If not, there should be an opening clause so that when society changes that can come back to the table.

There is some sort of finality which could address the extinguishment. That tends to give rise to where this modern treaty or the living treaty comes into play. I do not believe this concept was apparent when the original policy was established. Unless we hear more information as to where this kind of thing can lead us, that in itself will provide concern.

To get back to the process and concern aspect of it, there is concern from a parliamentary point of view of actually getting to the point. I do not wish to address the contents of the bill on the B.C. commission at this point. My point is we had a bill come into the House for debate that was actually established by an agreement between three parties that had representatives there. The House was actually debating something that had already been established.

I can understand that the possibility of defeating that bill creates a horrendous amount of work. We would have to backtrack to all that was done before that. However, because these are our representatives, it could possibly have been debated in the House before the parties went into agreement and that there were some parameters set so that we knew what was going to be on that table when the negotiations were undertaken.

Another thing that comes out of this when we are talking about cultural groups again is the process taking place. This concern arises when we hear such things as aboriginals referring to themselves as nations. The obvious conclusion to that would be nations within a nation. The perception of how that would work is unknown. That is a concern to us.

We also must look at the unity point of view. We have on the one hand a negotiation process that could feasibly terminate in this nations within nation concept or be the first step toward that in our future. On the other hand we have a parliamentary kind of process going on with the Quebec situation, which is again a divisiveness kind of thing. I should restrict my remarks to the aboriginal process. But are we creating through this process another possibility to be debating unity somewhere down the line? I have some concerns on that.

• (1315)

What we have to look at in this whole thing—and British Columbia is trying to get the message across to Canadians—is that a lack of information is getting out to the people. We do not know what is being discussed at the table. We are sitting here wondering with what we will be left.

The counter argument to that is we do have representatives there. My point is that they have not come out and discussed things with whoever they are representing and then taken that information back to the table.

To give my comments more clarity, think of management and union negotiations. We know what these people are talking about behind closed doors. We know all the parameters of it, but we know that their discussions will eventually lead to something. We may not get all we want, but we might get part of what we want.

I suggest very strongly to the government that it can no longer negotiate behind closed doors. It has to be up front. B.C. is in a position that it is much further ahead than the rest of the country on this negotiation situation. If we are having problems in British Columbia, then it is going to transfer all across this country as we go along, unless we change some of the things we are doing in the process right now. Municipal governments have to be informed of how their concerns get represented at that table and there has to be a mechanism for that to occur, et cetera.

The other item that has to be put out in general terms is what is this self–government thing we are talking about. Is it a municipal kind of situation? Is it a provincial kind of situation? Will it lead to individual territories within our country, or will it lead to the possibility of future negotiations in relation to unity? These are some of the concerns I have about the whole process.

We should be looking at the British Columbia situation, not only with what is happening today, but where this will lead us in our future, 10, 15, 100 years from now.

Is the Hamilton report strictly based on negotiations and setting the parameters? I would assume it is not far afield from being incorporated into this process as it was commissioned by the minister.

The modern treaty, the living treaty, has to be identified. There has to be some kind of indication to the public, both aboriginal and non–aboriginal, that this negotiation process can be speeded up, that we are not looking at another 20 or 30 years to negotiate individual contracts.

There is concern for the situation in British Columbia and it has reached the ears of the political components in that province. They are also expressing concerns about aspects of this process. I sincerely hope and recommend that the government stop and have a look at what is actually occurring here and coming up with some sort of options, if they choose to follow this policy, in which they can address some of these concerns.

There is one other point I would like to make before I close. A great number of these negotiations are based on the fact that the self–government component of the band will be democratic. Yet for the band to establish that democratic process and hold elections, they really do not have an appeal process to a Canadian election officer, other than an appeal to the minister. This should be addressed as well and bring them into the Canadian process of elections.

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the hon. member referred to the Quebec referendum process at one point. I recall the Reform Party talking about the need to continue government as usual. However, in this case we are being asked to hold back a process until there is an election in British Columbia. That election could be in the far distant future. It has not been called and it does not need to be called for some time. This appears to be a contradiction in the policy of the Reform Party.

• (1320)

The second point which I want to make relates to the comment which was made about the negotiations being held in secret. It is very clear that any negotiation requires an element of secrecy. It is required when we buy a car. We do not let the bottom line be known right away. However, in the case of the negotiations about which we speak today, the Government of Canada has issued a statement indicating how it intends to ensure that the treaty making process will be open and accessible and how public records will be maintained. In fact, there will be a sharing of information.

I wonder if the hon. member is aware of the statement and what her comments would be on the analogy with Quebec.

Ms. Bridgman: Mr. Speaker, my comment expresses my concern about the situation in relation to unity. There is a unity debate going on between one province and Canada. However, there is the possibility of future unity debates happening with various aboriginal groups if we pursue this course without some clarification of what it means.

Those persons who are well informed on the process and the ultimate resolution may not share the same concerns I do. They may not see the aboriginal negotiation process as possibly leading us to another unity difficulty in the future. If that is not so, please share it with the rest of us in order to allay this concern.

My main message is that in Canada we have two different processes happening which could lead to similar debates in the future.

The second question concerned public information. I agree that there has been an effort made in the last year with respect to providing the public with more information. That stemmed from outspoken people expressing their concerns in the proper circles. However, a lot of the information, if not all of it, is after the fact. We still do not know the conditions we are negotiating. Basically what we are seeing are great claims for land. We do not actually know what is going to happen.

I am suggesting that if we follow our democratic process of electing representatives, we do have those representatives there, but we have absolutely no idea what they are doing until after it has been done. If they looked at the process they certainly could allay a lot of the public's concern by being a little more informative of what their objectives are.

With respect to the delaying of the process, that remark may have been related to political strategy concerning the election. Be that as it may, what I am addressing here is the fact that the delay should be to review what is actually happening because of these concerns. A stitch in time might save nine. The problem will not go away unless we see a concerted effort by those

persons involved and the government to come out with an outline of the objectives they are trying to achieve.

• (1325)

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I was hoping there would be some Reform members in the House to witness—

The Deputy Speaker: The hon. member knows how angry he gets when that comment is made from the other side of the House. It is not permitted to make reference to the presence or absence of other members in the House and I would ask the member not to do it again.

Mr. Telegdi: My apologies, Mr. Speaker.

I would like to support the comments made by the Minister of Indian Affairs and Northern Development on the importance of treaty negotiations. As members of this House are aware, only a small minority of First Nations in the province of B.C. have ever signed treaties with the crown.

On lower Vancouver Island several First Nations signed treaties with Governor Douglas in the middle of the 19th century. By the end of the century the Peace River district was included in Treaty No. 8 signed by the Government of Canada.

In the past two decades the Nisga'a Tribal Council has been actively negotiating with the federal and provincial governments. When these negotiations are completed and an agreement is signed, it will be the first treaty with B.C.'s First Nations signed in this century.

We are approaching the threshold of the next century. British Columbians want to approach the 21st century secure in the knowledge that the unfinished business of the 19th century has been completed.

The land claims of British Columbia's First Nations must be resolved because resolving these issues creates an environment of certainty. Certainty means economic growth and job creation. Settling land and resource issues creates an environment for investment and increased local economic activity.

Over the past few years we have made a great deal of progress toward resolving this unfinished business. In 1990 the federal and provincial governments and the leaders of the B.C. First Nations agreed to establish a task force that would map out a negotiation process that would accommodate the many First Nations in B.C. that wanted to negotiate settlements.

The task force reported on June 28, 1991 with 19 recommendations. All of them were accepted by the First Nations summit, Canada and British Columbia. One of the key recommendations was to establish the British Columbia Treaty Commission or BCTC as an arm's length keeper of the process. I would remind the House that the current leader of the B.C. Reform Party was one of the key architects of this process. I congratulate him on his vision and wisdom.

The agreement committed the principles to establish the BCTC through the passage of federal and provincial statutes and the resolution of the summit. As my colleagues know, Bill C–107 was passed by the House last week and has now been put before the other place.

The commissioners began their valuable work on December 15, 1993 and have made considerable progress. Forty–seven First Nations groups are involved in the BCTC process to date. They represent over 70 per cent of the First Nations of the province, with more likely to become involved in the near future.

The BCTC consists of five commissioners, two nominated by the First Nations summit, one by the provincial government and one by the Government of Canada. The chief commissioner is duly selected and appointed by all three of the principals.

The First Nations summit includes all First Nations in B.C. that have agreed to participate in the BCTC six–stage treaty negotiation process. The summit provides a forum for First Nations involved in the treaty process to meet and discuss treaty negotiations. It worked closely with the federal and provincial governments in the development of the treaty negotiation process and in the establishment of the BCTC.

As one of the principles of the process it continues to provide direction along with the governments of Canada and British Columbia. The B.C. summit chiefs believe that negotiation rather than confrontation and litigation is the best way to solve outstanding issues. It is unfortunate that the Reform Party does not think the same.

I would like to tell the House a bit about the men and women who have offered to serve Canada, B.C. and the summit as the BCTC commissioners. Carole Corcoran was elected by the First Nations summit as one of the first treaty commissioners. She also sat on the royal commission on Canada's future in 1990–91 and serves on the board of governors at the University of Northern British Columbia. Unfortunately Ms. Corcoran has recently resigned.

On October 4, the First Nations summit chiefs selected Miles Richardson of Haida Gwaii to succeed Ms. Corcoran as the second First Nation treaty commissioner. Mr. Richardson was a member of the B.C. claims task force which reported to the governments of Canada, B.C. and First Nations on how the parties could begin negotiations to build a new partnership. From 1991 to 1993 Mr. Richardson was part of the First Nations summit task group, an executive body reporting to the First Nations in B.C. on treaty negotiations.

• (1330)

The First Nations summit has also elected as one of its commissioners Wilf Adam of the Lake Babine Indian Band. Mr. Adam is a former chief councillor of the band. He is chairman of the Burns Lake Native Development Corporation and is co–founder of the Burns Lake Law Centre.

British Columbia has appointed Barbara Fisher, formerly general counsel and Vancouver director of the Office of the Ombudsman. She currently practices part time as counsel to the B.C Information and Privacy Commission.

Since last April the Government of Canada's representative to the commission has been Peter Lusztig. Dr. Lusztig has been a professor of finance at the University of British Columbia and also brings considerable breadth of experience from the community. He has sat on the B.C. Royal Commission on Automobile Insurance and the B.C. Commission of Inquiry on the Tree Fruit Industry. In 1991 he also chaired the Asia Pacific Initiative Advisory Committee struck by the federal and provincial governments.

Since last May the chief commissioner has been Mr. Alec Robertson, QC. The legal community is familiar with his past work as president of the B.C. branch of the Canadian Bar Association, chairman of the Law Foundation of B.C. and as a member of the Gender Equality Task Force of the Canadian Bar Association. Mr. Robertson spoke eloquently on Bill C–107 before the standing committee.

The House will recognize that the BCTC consists of five distinguished British Columbians. They are doing excellent work to ensure that the comprehensive claims process moves along in a timely and orderly manner.

The commission oversees the six–stage treaty negotiation process which includes: one, statement of intent; two, preparation for negotiations; three; negotiation of a framework agreement; four, negotiation of an agreement in principle; five, negotiation to finalize a treaty; and six, implementation of the treaty.

The commission assesses the readiness of the parties to negotiate. This involves making sure that the First Nations have the resources they require to make their case. It also includes ensuring that the federal and provincial governments have established regional advisory committees so that the interests of the local residents who are not aboriginal can be heard.

These regional advisory committees are part of an extensive and responsible effort to keep the public and all affected third parties informed of the developments in the negotiations as well as to ensure the advice of all sectors of B.C. society is considered. Other efforts include newsletters, public information meetings, a 1–800 number, numerous speaking engagements, information brochures and other publications, and participation in trade shows. The Sechelt negotiations are televised.

The commission allocates loan funding to enable First Nations to participate in the process. It works with all parties to ensure that they get on with the job in a timely manner. If required and if agreed to by all parties, the commission will assist the parties to obtain dispute resolution services if the negotiations seem to be reaching an impasse.

Finally, the commission helps ensure that the process remains open and accountable. It prepares and maintains a public record on the status of negotiations, and it reports to this House on that status. Its annual reports are tabled in this House. In summary, the B.C. Treaty Commission facilitates treaty negotiations; it is not a party to the negotiations.

I am sure that members on both sides of this House would agree that settlement of land claims in British Columbia is long overdue. British Columbia is home to 17 per cent of Canada's aboriginal population, yet treaties have been signed with only a small minority of First Nations there. The question of land issues surrounding undefined aboriginal rights must be brought to a successful conclusion.

The federal government is committed to settling land claims in a fair and equitable manner for aboriginal people as well as third parties and the general public. I urge the House to vote down this regressive and spiteful motion.

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I would like to ask the hon. member two questions.

The member made reference in the beginning of his speech to addressing the historical treaties. I agree. We have been 300 or whatever number of years at that. I also express some apprehension with this concept of the modern, living or new treaties, whatever we wish to call them.

• (1335)

Does the hon. member think that the creation of more treaties will put us in a similar situation as the existing or the back treaties have? Would it take us *x* amount of time to get these other treaties into some state of agreement between all parties?

The next question is in relation to the B.C. Treaty Commission. We understand that body is preparing parties to negotiate and actually does not participate in the negotiation process itself. In the preparation of that body's mandate, would it ensure that the people who are going to the table have consulted with those whom they represent so that they go into the negotiation process with the blessings of their membership, or are they going in based on their opinions?

Mr. Telegdi: Mr. Speaker, the whole treaty process is about making sure we give people a hand up and not a hand out. We want to end the dependence which has taken place over too many years while the treaties have not been solved. The native community has not had the opportunity to make a contribution and be self–sufficient.

There have been many questions regarding the legal basis for settling comprehensive land claims and what their status is. I can say that the 1973 Supreme Court ruling in the Calder case acknowledged existence of aboriginal title in Canadian law. More recently in the Sparrow case the Supreme Court has recognized constitutionality protecting the aboriginal rights to fish for food.

Since 1973, as a result of a number of court rulings the Government of Canada has as a matter of policy negotiated settlements with aboriginal groups that assert aboriginal title and where there is some evidence of continuing title. The Constitution Act, 1982 affirms and recognizes existing aboriginal treaty rights.

We want to end uncertainty associated with unsettled land claims. By addressing it we produce certainty. The production of that certainty would result in jobs and investment and a healthier B.C. economy.

Various studies have indicated that $1 billion in investment are forgone in the resource industries. Thousands of jobs could be made available if the treaty process were to be successfully conclude.

In terms of whether the people are representing their stakeholders, I would say that yes they are. Beyond that I would like to draw attention to the 31 members who are part of the treaty negotiations advisory committee. They virtually cover the whole section of the economic activity in British Columbia: the B.C. Shellfish Growers Association, the B.C. Fishing Resorts Association, sports fishing institutions, the Steelhead Society of B.C., the Union of B.C. Municipalities, the Community Fishing Industry Council, Fisheries Council of B.C., the United Fishermen, northern fishing representatives, the Interior Forest Industry Coalition. There is representation from the unions, the Industrial Woodworkers of America, a fine union I was a member of at one point. There is the B.C. Real Estate Association, the B.C. Federation of Agriculture and the list goes on and on.

It would seem to me that at some point we have to have some trust in the process. We have to end this injustice which has existed, and a costly injustice I might say. All studies have shown that economically British Columbia is suffering from the uncertainty. We want to establish some certainty on this question and give justice to the native people which I believe is long overdue.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, it is interesting to note that three government members have addressed our motion so far today. If memory serves me correctly, all three of them gave accolades to Mr. Jack Weisgerber, the leader of the B.C. Reform Party. I remember the hon. member's words: "I congratulate him for his vision and foresight". I would certainly agree that Mr. Weisgerber is a man with vision and foresight.

• (1340)

I would like to read into *Hansard* the following quote: "The vast majority of British Columbians rejected the backroom deal that was Charlottetown. They rejected the constitutional entrenchment of an undefined inherent right of self–government and so do I. They rejected a third order of government for native Canadians enshrined under the Constitution and so do I. We also reject the government's formal recognition of aboriginal title". That is from a speech given on October 4, 1995 by Mr. Jack Weisgerber, the leader of the B.C. Reform Party.

I wonder if the hon. member who is so free with accolades for this gentleman, which are richly deserved, would agree with those statements and that he truly is a man of vision and foresight.

Mr. Telegdi: Mr. Speaker, I referred to the decisions he made when he was a cabinet minister in the government of the Social Credit Party. Clearly, he is a perfect case in point as to how a reasonable person of the Social Credit Party can be transformed into a Reformer who does not make sense.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, I am pleased to rise to speak on the motion put forward by the hon. member for North Island—Powell River. I oppose the motion. I consider it to be ill–conceived. Why do I take that position?

The first reason is that the correct approach to the issue was set out by the government in its red book promises. In the red book the government made it very clear that if we were elected we would be committed to building new partnerships with aboriginal peoples based on trust and mutual respect. We stated in the red book what a Liberal government would do.

We stated that our goal was a Canada where aboriginal people would enjoy a standard of living and quality of life and opportunity equal to those of other Canadians. It would be a Canada where First Nations, Inuit and Metis would live self–reliantly, secure in the knowledge of who they are as unique peoples. All Canadians would be enriched by aboriginal cultures and would be committed to the fair sharing of the potential of our nation. It would be a Canada where aboriginal people would have the positive option to live and work wherever they chose. Perhaps most important, we set out our goal for a Canada where aboriginal children would grow up in secure families and in healthy communities with the opportunity to take their full place in Canada.

As a result, we also said that the resolution of land claims would be a priority. This is our vision and we have been moving step by step to bring it alive. In two years we have already made considerable progress.

On August 10 the Minister of Indian Affairs and Northern Development and the federal interlocutor for Metis and non–status Indians announced the government's approach to the implementation of the inherent right of aboriginal self–government. We have fostered greater economic development opportunities for aboriginal communities through co–management agreements and support for business ventures. We have committed an additional $20 million annually to the Indian and Inuit post–secondary student support program. We have settled some 44

specific claims and we have seen five comprehensive claims come into effect. By any measure we have achieved a great deal in living up to the commitments we made to the people of Canada in the red book during the election.

Perhaps the most complex challenge to the government and to the people of Canada in this area is treaty making in British Columbia. I would like to remind the House that British Columbia is unique in Canada. If I could remind hon. members of the debate which was recently held in the House, it is a distinct society in this respect, in that the process of signing treaties has never been completed. Only a handful of treaties were signed in the pre–Confederation period and they cover parts of Vancouver Island only.

In 1899 Treaty No. 8 was signed with the First Nations in the Peace River area in the northeast of the province. However, in the rest of the province the issues of aboriginal rights remain largely unresolved. First Nations legitimately want to see a resolution to these issues.

● (1345)

We have repeatedly seen the First Nations of British Columbia press for treaty resolution. Until this decade, however, the provincial government had been unwilling to negotiate. It took the position that there was no need to negotiate because whatever rights to land and resources the aboriginal people may have had in British Columbia had been extinguished by an act of the crown.

The result was decades of legal acrimony. The First Nations first sought settlement through the courts of what they had been unable to achieve through the negotiation process. In 1973 the Supreme Court of Canada was asked whether the aboriginal title to the Nisga'a traditional territory had been extinguished in the Calder case. In that case the six judges were evenly split on the question. It fell on a very narrow technical issue in the way in which the case had been brought.

It was very clear from reading the judgments in the case that there was a recognition by the courts of the country of a legitimate claim to aboriginal rights in British Columbia which had to be addressed equitably if we were ever to resolve this extraordinarily important issue.

The courts for their part have expressed repeatedly and in the strongest terms that the issues brought before them ought to be settled at the negotiating table and not before the bar, settled through negotiations and not litigation. Many cases have determined this issue. I cite Judge Macfarlane in one who wrote:

> Treaty making is the best way to respect Indian rights. The questions of what aboriginal rights exist...cannot be decided in this case, and are ripe for negotiation.

He went on to observe:

> During the course of these proceedings, it became apparent that there were two schools of thought.
>
> The first is an all or nothing approach, which says that the Indian Nations were here first, that they have exclusive ownership and control of all the land and resources and may deal with them as they see fit.
>
> The second is a co–existence approach, which says that the Indian interest and other interests can co–exist to a large extent, and that consultation and reconciliation is the process by which the Indian culture can be preserved and by which other Canadians may be assured that their interests, developed over 125 years of nationhood, can also be respected—I favour the second approach.

I must say I agree. When I was in the private practice of law I had the opportunity of being involved in a case that was very interesting and very instructive in this area. It was the Baker Lake case. It took place in the Northwest Territories. The court also resolved and ruled that the applicants in that case had aboriginal rights, but the court failed to set out what those aboriginal rights were. It failed to set out what the specificity of those rights were.

Therefore the aboriginal peoples in the area were left with the unpleasant situation of knowing they had a right but not knowing whether they could exercise it in contradistinction against mining companies that might be in conflict with their claims and exercise it in contradistinction against other claims.

These issues cannot necessarily be settled by courts of law. The courts may lay out a general provision such as saying that there are aboriginal rights that have not been extinguished. That is a legal issue and an issue a court can rule on.

What is the exact content of those rights and how they will be applied in a modern complex society where there are conflicts between urban and rural uses of land mixed with that of the aboriginal peoples? They have to be addressed in the negotiating process. That is being sought in the circumstances. That is why I agree with what the judge said in the case to which I have referred. I am sure members of the House would agree that the co–existence approach, based upon consultation and reconciliation, is the appropriate approach.

I am sorry, I say to my legal fraternity friends, to suggest that court is not the place to be on this issue. There are places where we do not need lawyers and we certainly do not need judges to resolve them. We need the political will to have people sit down and resolve their disputes with a mutual trust and understanding among them.

It pains me to say that in the province of British Columbia today quality of trust is absent. I happen to come from Vancouver originally. I happen to have the privilege of going back to Vancouver regularly. I have seen the tremendous turbulent summer of pain and protest that took place last summer. These confrontations will not resolve the issues. It is only through

negotiation and mutual respect that we will be able to do that. It will not work through an all or nothing approach.

We cannot leave the resolution of the issues for those who have little respect for the law. That is what worries me about the resolution. It astonishes me that a member of the third party would bring forward a resolution suggesting that this issue be pushed over for a couple of years. Basically that is the suggestion.

• (1350)

I have listened to the passionate intensity with which members of the third party speak in the House about the rights of their constituents, about their need to defend their constituents, and about how their rights are not being properly regarded by the government and by the ways in which the laws of the country apply.

What would they advocate to their constituents about the resolution of their essential rights, how their lives will be conducted and how they will be able to earn their living? These rights have been in abeyance in some cases for 30, 40 or 50 frustrating years. Would they go back to their constituents and suggest that they just sit still and put this off? I find that difficult to believe. I do not believe they would do that. What is sauce for the goose is sauce for the gander. We should not be treating the aboriginal peoples of the country or of the province of British Columbia any differently than we treat other citizens in this respect.

We have a B.C. Treaty Commission. It establishes a solid foundation for consultation and reconciliation. At the heart of its operations are the coexistence approach and consultative approach. There are those in the House and those in the community who would maintain that the process concedes too much to First Nations. This too is starting to sow discontent.

I have heard radio shows in British Columbia. I have heard members say that 100 per cent of the province is covered by claims of the aboriginal peoples. However hon. members know better than this. We all know that claims are one thing, but to exaggerate them as a threat to the existence of the process is irresponsible. Claims are one thing. They are put forward but they can be resolved not necessarily in a court of law but in a framework of consultation, mutual respect and a desire to achieve a result that will be beneficial for all parties.

If that approach is taken, rather than an in terrorem approach of having huge claims, of the whole province being swamped and taken away from us, we would move toward a much more satisfactory resolution of the issue.

We know there are overlapping claims. The commission knows that is the case. They can be dealt with. We will not move forward by leaving the issue fester for another two years, until after another provincial government election; pushing it off into the future; and allowing the distrust, mistrust and exaggerations on both sides to prevail.

For those reasons I urge the House not to adopt an all or nothing approach. We should give to the British Columbia Treaty Commission its right to facilitate modern day treaties, to assess the readiness of parties to begin the negotiations, to allocate negotiation funding to aboriginal peoples, to assist parties to obtain dispute resolution services at the request of all parties and to monitor the status of negotiations.

In that way we could move the issue onward and start the process of achieving an equitable, just and lasting resolution of an issue that is extraordinarily important not only to the citizens of British Columbia but all citizens of the country who wish to see a harmonious social climate in which to operate.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I listened quite attentively to my hon. colleague's comments about the Reform motion that has been put forward today.

We really have to describe the reason behind it. Perhaps we have not been explicit enough in explaining it. We feel very strongly that the British Columbia government at this time lacks credibility and does not have the confidence of the B.C. people to continue to proclaim it has a mandate to bring about some very comprehensive claims agreements and new treaties for British Columbia.

I listened to the member say that trust was absent in British Columbia. Certainly it is, but we have to ask why it is absent. I assert that it is because of the bungling of both provincial and federal governments in the past.

• (1355)

Given the claims in the territories which in the opinion of a great many Canadians were very generous, is it any wonder there is concern among Canadians about the extent of the claims in British Columbia?

Mr. Graham: Mr. Speaker, the hon. member raises a complicated issue. The first part of the issue concerns the governance of the country. He is saying that his sense of the political process in British Columbia or that of observers is that the present government lacks credibility.

I do not disagree the present government in British Columbia is in political difficulty. We live in a process whereby that government was elected for a certain term and has certain obligations to serve the people of British Columbia. This is not a new policy that has been brought forward. The argument would stand better both with the public and with the political process if this were some radical departure the present government was proposing, if it were something in the extreme. That is not what is happening.

The commission has been put in place to take the venom out of the process and to get the negotiations moving along. There is no guarantee they will be completed before the government changes, but the process must be allowed to continue.

To use the present government's unpopularity as a pretext to end what has been a long, extended historical process, which for some people has been going on for 40 years, would be unfair to the aboriginal peoples. It would be disrespectful to the political process of the country.

Sometimes in parliamentary debate we exchange views about one another, but I am sure the hon. member would be very unhappy if I were to stand and say that the polls indicated that the Reform Party has *x* per cent and therefore nothing he says in the House is to have any credibility. The member was elected. He has a right to speak.

That government was elected to do a job. It is doing its job. There is no sense that it will necessarily complete it but we must continue the process. We have a democratically elected process in the country that has established a mechanism by which we are finally seeing some chance for the resolution of these enormously complex, difficult and important social issues.

I for one would like to see the process continue and to see a peaceful resolution achieved. That is why I find it very difficult to accept the basic premise under which the motion has been moved.

[*Translation*]

The Speaker: My colleagues, it being 2 p.m., pursuant to Standing Order 30(5), we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

DAIRY INDUSTRY

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, two weeks ago I had the pleasure of visiting a dairy farm in Oxford county as the guest of Jim Donaldson of Donaldson International Livestock Ltd., Lubor Dobrovic of the Slovak State Breeding Institute, and George Heyder of the Slovak Holstein Association. Also present was a member of the board of directors of Ridgetown College and the communications adviser of CIDA.

Donaldson International has arranged for training to be provided for key people in the Slovakian dairy industry over the next three years. This $800,000 development project will help to develop a modern sustainable dairy industry in Slovakia.

It is encouraging in the extreme to know that small Canadian businesses, Canadian educational institutions and CIDA can co–operate in such important endeavours.

This three–year project will prove beneficial to the dairy industry in both countries and will build closer ties between Canada and the new Republic of Slovakia.

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[*Translation*]

EAST TIMOR

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, today is a sad day in that it marks the 20th anniversary of the invasion of East Timor by the Indonesian army. As you know, this invasion resulted in one of the worst holocausts since 1945, with the genocide of more than one third of the population.

Unfortunately, East Timorians are still the victims of one of the harshest political repressions known.

Year after year, reputable organizations such as Amnesty International, condemn violations of human rights in that country. On this sad day, which reminds us that too many human beings die in the name of freedom, the Bloc Quebecois wants to condemn the very timid attitude of the Canadian government regarding the promotion of human rights.

* * *

[*English*]

VIA RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, on December 6 the "Stop the Great Train Robbery" bus came to Parliament Hill. This bus was covered with thousands of signatures protesting gross over subsidization of VIA Rail at a time when Canadians are facing crippling government debt.

The bus carried supporters of the protest and a petition containing almost 10,000 signatures. The Minister of Transport had been requested to accept the petition from these concerned citizens but did not even bother to respond to the request.

I accepted the petition, but because it is not in a form deemed presentable in the House for the government I cannot present it here. As an alternative I invite the Minister of Transport to accept it from me outside the doors of the House immediately after question period.

I also ask the minister again to take action to stop VIA Rail from reducing already heavily subsidized fares so it can take Canadian taxpayers' money and use it to compete against customers unsubsidized in the private sector.

The minister can choose to send out a message of goodwill to Canadian taxpayers or he can continue to squander their money. Thousands of people who signed this petition are waiting for his response.

THE ECONOMY

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, for more than 20 years successive federal governments have claimed to be fighting inflation and the deficit by cutting corporate taxes, raising interest rates and cutting programs. What have investors done with the interest earned and the taxes saved? They have used their surplus funds to bid up existing stocks to the point at which general stock values in Canada are reported to be up 35 per cent over last year.

To continue generating existing levels of profit, their prices for goods and services provided will have to be pushed up, as will inflation.

If the government is serious about fighting inflation and the deficit, a tax on transactions can both cool inflationary pressures and reduce the deficit. Such a multiple approach to fighting the deficit and inflation might actually work, unlike current policy fixation with high interest rates, low corporate taxes and deep program cuts.

Surely after 20 years of failure to meet even one deficit target it is time to try some things that might actually work.

* * *

BANKS

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, the big banks would like to sell insurance directly to their customers.

Many Canadians are worried about concentrating economic power in the hands of a few large banks, putting the safety of the financial system at risk.

In changing the Bank Act, the government should be careful not to reduce competition. Consumers would suffer from reduced choice in the financial industry. Banks selling insurance would have an unfair advantage over insurance companies. Insurance companies are not entitled to have the same government guarantees the banks have, including Canada deposit insurance. Banks will also have an unfair advantage if they are allowed to use confidential client information to help sell insurance.

Any changes to the Bank Act must be fair to the insurance companies and must protect the consumer. Banks should stick to their mandate and start lending money to small businesses, the engine of the country's economy.

Rather than letting the banks expand into insurance, we should tax their record profits and force them to lend more money to small businesses.

S. O. 31

MALVERN REMEDIAL PROJECT

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, this week in my riding of Scarborough—Rouge River we are completing the last of the work on the Malvern Remedial Project.

This is an initiative to restore a residential area where soil had been contaminated by low level radioactive material dumped during the second world war. Although the problem was discovered in 1980, it has taken 15 years for all levels of government and the community to achieve their goal of removing the contaminants and restoring this neighbourhood of family homes.

We want to recognize and thank the Minister of Natural Resources and the leadership of her officials, the province of Ontario for sharing the cost and purchasing the real estate required, AECL for its expertise, the city of Scarborough, the local advisory committee chaired by Mr. John Brickenden, elected representatives at the municipal, regional and provincial assemblies and, last but not least, the Ontario and Canadian taxpayers who underwrote the costs.

The Malvern/McLure neighbourhood says thank you for this successful initiative. We hope the Malvern Remedial Project can be a successful example of community and government working together to correct environmental mistakes of the past.

* * *

MINISTERS OF FINANCE

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, it may come as a surprise to our beloved finance minister to learn that last Friday in my riding of Saskatoon—Humboldt there were no less than four individuals passing themselves off as the Minister of Finance of Canada.

• (1405)

The culprits are students from the University of Saskatchewan participating in an annual term project, the brainchild of Professor Marv Painter of the college of commerce, whereby undergraduate commerce and MBA students produce a federal budget.

This year 138 students made up the four teams which presented their government initiatives regarding economic and social policy, taxation, government spending, deficits and debt.

In support of their budget proposals, each group determined the source of revenues, allocation of expenditures and future estimates of GDP growth, interest rates, inflation and so on.

As one of a group of 50 invited to hear the budget speeches, I was very impressed with the effort put into this project and the vigour with which the students attacked this thorny fiscal challenge.

My congratulations to Professor Marv Painter and finance ministers Michelle Cocks, Roger Miller, Curtis McKenzie and Judy Karwacki, and the other students on a job well done.

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[*Translation*]

QUEBEC CULTURE

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, yesterday, Quebecers from all political affiliations were stunned to hear the Prime Minister, a Quebecer himself, say that there is no such thing as a Quebec culture. Rather, there is a French and an English culture which he calls the Canadian culture.

The Prime Minister's simplistic view, which denies the very basis of his motion recognizing Quebec as a distinct society, shows that his roots in the Quebec society and culture do not run very deep. Given the comments made by her leader, it is surprising to see that the current labour minister, a former cultural affairs minister in the Liberal government of Robert Bourassa, has nothing to say on the matter.

Her silence must be a heavy burden on her conscience since, as the proverb says: "Silence is a form of consent".

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[*English*]

QUEBEC

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I have no problem agreeing that Quebec and Quebecers are or constitute a distinct society. My problem is with entrenching it in the Constitution. That for me and for many Canadians creates a problem. Why should Parliament resurrect an idea that Canadians voted down in the Meech and Charlottetown accords?

I believe in the equality of all Canadians, that each province, each region and the aboriginal peoples are all distinctive in their own way. But the question of what it means to be distinct has no concrete answer at this time.

Some say it does not mean anything but simply recognizes an historical fact. Some say it means the courts when they are looking at Quebec's laws will interpret them in light of the distinctiveness of Quebec. Therefore it is an interpretative part of the Constitution.

This would be something no other province would have. If we believe in equality, then we do not believe in special powers.

Please, let us not go through this again. Let us get on with rebuilding Confederation with new ideas. Let us look at what the Reform Party has to propose for the future of our country.

* * *

MARITIME UNION

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, recently we have had some strange echoes from the past in regard to maritime union. Let us hear what the past of maritime union has been.

In his thesis on maritime union, John M. Wilkinson posed the question:

> Was there ever in any one, or all three, of the maritime provinces any general or popular movement in favour of their union, as distinct from those inaugurated by official classes, such as politicians or those actuated by profit?
>
> The answer is that, unless the situation has changed, popular support for maritime union has been virtually non-existent. Even the legislators who in the 1860s agreed to a conference to consider such a union did it without enthusiasm and certainly not in response to the express wishes of their constituents.

Because of its lack of interest in maritime union, Prince Edward Island has been called the reluctant province. History indicates, however, that it has been different only in degree. It has been somewhat more reluctant than reluctant Nova Scotia and reluctant New Brunswick.

Let me assure the House this situation has not changed. A recent poll on Prince Edward Island put opposition to maritime union at 70 per cent—

The Speaker: The hon. member for Bramalea—Gore—Malton.

* * *

SEYMOUR SCHULICH

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, earlier this week a North York investor, Mr. Seymour Schulich, donated $15 million to York University's school of business. His gift will pay for a series of undergraduate and graduate scholarships and up to five endowed chairs to study specific areas of business.

He said he believes every affluent Canadian has an obligation to give something back to the country.

He also suggested the federal government encourage more private donations by providing the same kind of tax breaks offered to American philanthropists, who get tax breaks four times larger than Canadians.

• (1410)

I take this opportunity to commend Mr. Schulich for his generosity and to suggest the government consider his advice very carefully.

Hospitals, schools, libraries and other public institutions can use all the donations they can get.

* * *

[*Translation*]

NATIONAL UNITY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in every province, Canadians are wondering what they can do to help keep Canada united.

All residents of Brome—Missisquoi, the Carons in Frelighsburg, the Gaudets, the Barabés in Farnham, the Bergerons and the Landrevilles in Magog want to see proposals for change on the table very shortly.

The demand for change is strong in Quebec. And in this connection, Mr. Speaker, allow me to congratulate the hon. member for Fredericton—York—Sunbury who, last Sunday, organized a forum for Canadian unity in Fredericton. This kind of forum which brings together people from all political parties is a way to promote discussion on the changes that are necessary.

I urge all members of this House, whatever their political affiliation, all those who believe in the Canada of the future, to work hard to keep Canada together. As for our differences regarding the administration of this country, we will have plenty of time to express them during the next election campaign. Canada counts.

* * *

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, after doing a hatchet job on the unemployment insurance system and offloading most of the government's spending cuts on the provinces by reducing their transfer payments, the Minister of Finance is now zeroing on his third target: old age security pensions.

Yesterday the minister announced that he would soon be meeting with his provincial counterparts to consider the future of OAS in Canada. These discussions were to be preceded by the tabling of a federal policy paper. The tabling of this document, originally scheduled for 1994, was later postponed until this fall. However, nothing has been tabled so far, and federal cutbacks are to take effect in 1997.

The minister should at least have the courage to be open about his policies and table without delay a document which senior citizens have been waiting for all this time.

* * *

[*English*]

INTERPARLIAMENTARY UNION

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, yesterday my nomination for a place on the executive of the Interparliamentary Union, commonly known as the junketeer travel club, was denied even though it was acknowledged by the Chair as being in order.

At the same meeting prior to the election procedure and in order to deny my nomination, the constitution of the IPU was changed to allow executive positions only for those who "undertake to promote the aims and objectives of the said interparliamentary organization". This will be a difficult task given that the IPU has no aims or objectives.

The IPU is funded by the House and yet it has muzzled free speech, ignored its own constitution and trashed democracy.

My rights as a parliamentarian have been compromised. The reputation of the House has been sullied and I request that all parliamentarians condemn the actions of the IPU and direct the procedure and House affairs committee to investigate this abuse of process.

Even the communists played with more finesse than the IPU.

* * *

PIERRE BOURGAULT

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I was appalled the other day to read in *Le journal de Montréal* how Pierre Bourgault, a staunch separatist and confidant of Mr. Parizeau, branded a group of Canadians as racists.

It seems after a Canadian victory on October 30 the separatists had to blame somebody. Therefore Mr. Bourgault stated: "The Jews, Italians and Greeks are racists". Mr. Bourgault further states: "We are not asking them to be sovereignists, we are asking them to be Quebecers". They are proud Quebecers and they are also proud Canadians.

The separatists have now been completely unmasked and their hidden agenda is secret no longer.

He further made reference to the member for Bourassa. When the Bloc member and all other immigrants, myself included, arrived on these friendly shores, who welcomed us? It was Canada. Who gave us citizenship? It was Canada. It was Canada that gave us the opportunity to share in the Canadian dream.

The vote on October 30 was not an ethnic vote. It was a Canadian vote, a vote for unity, a vote for home, a vote for Canada.

* * *

[*Translation*]

EDMUNSTON DIOCESE

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, Sunday, December 10, will mark the end of a series of events to celebrate the 50th anniversary of the founding of the Diocese of Edmunston.

• (1415)

During the past year, a group of volunteers in the diocese, under the able leadership of Jean Pilot, organized a variety of activities for the young and not so young. Thanks to these activities, this event was celebrated with enthusiasm and style.

The final day of the 50th anniversary celebrations will be marked by a solemn high mass at the Immaculate Conception Cathedral in Edmunston, followed by a Christmas concert.

The motto of the Diocese of Edmunston, "Son amour s'étend d'âge en âge", illustrates the optimism and sense of sharing that prevails over any differences that exist in our community.

I want to take this opportunity to wish my constituents a day filled with joy and happiness.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE FUND

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the Minister of Finance.

In his economic update yesterday, before the finance committee, the minister finally admitted that his government is putting the unemployment insurance fund surplus into the consolidated revenue fund, along with the other federal revenues and expenditures, and will continue to do so, rather than in a distinct reserve fund as the Minister of Labour claims. This admission leads to another, that his deficit for the current year is being lowered artificially with the U.I. account surplus.

Under these circumstances, will the Minister of Finance admit that, because he is taking five billion dollars out of the U.I. account this year, the real federal deficit for the current year is therefore not $32.7 billion but $37.7 billion?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member ought not to confuse annual surpluses and cumulative surpluses.

To give an example, in 1993 when we became the government, the cumulative deficit of the unemployment insurance fund was $6 billion. In 1994, there was an annual surplus of $2.3 billion, which brought the cumulative deficit to $3.6 billion. In 1995, the annual surplus was approximately five billion dollars. This is the five billion the hon. member is referring to.

It will bring the cumulative surplus to only $1.4 billion. The two things must not be confused. We now have a surplus, not of $5 billion, but of $1.4 billion.

Our goal was not to reduce the deficit but to bolster the U.I. fund, which we have done, being good managers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, a good manager knows the contents of his budget.

Although I respect the minister, he is entitled to his shortcomings as much as anyone. He has certainly forgotten that next year he himself has projected taking $5 billion from the U.I. fund during the year. He is entitled to a mistake, so we will give him another chance.

Will this minister, good manager that he is, admit that to bring his deficit, the federal deficit, down to $17 billion in 1997–98, as he has indicated to us, he will need to keep on dipping into the U.I. fund year after year?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I have great respect for the hon. member for Roberval. I clearly understand where the confusion lies. What he is really recommending is an accounting process which was in place prior to 1986.

I would simply like to state that prior to 1986 the government did follow the procedure recommended by the hon. member and by the Bloc finance critic. But the auditor general came out with the following opinion in 1986. "In my opinion"—I am quoting the auditor general here—"the unemployment fund operations ought to be consolidated with the government financial statements, with employer and employee contributions added on the reported receipts side, and benefits and administrative costs included with reported expenditures".

• (1420)

Since this had not been done in 1986, the auditor general expressed reservations on the government's financial statements. That year, the government changed to the accounting process we are currently using. I would therefore suggest to the hon. member, if he does not like the way the government is accounting, and if he thinks he is better at figures than the auditor general—and perhaps he is—that he talk to the auditor general.

Mr. Michel Gauthier (Roberval, BQ): Two strikes against him now, Mr. Speaker. The Minister of Finance has neglected to point out that, at the time the auditor general made that recommendation, the federal government was contributing to the unemployment insurance fund. That is no longer the case. Two strikes, no hits.

I will give him a third chance. Given the government's reticence to really streamline the federal machine and review all of its finances, will the Minister of Finance acknowledge that, if he does not divert the sizeable U.I. fund surpluses into his

budget, he will be totally incapable of reaching his budget targets in coming years?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if the hon. member is capable of convincing the auditor general that we ought to change the accounting method because contributions now come only from employers and employees, we are prepared to examine the situation.

I understand the hon. member's questions but he is constantly quoting the auditor general as if he were quoting the Deity. Sometimes we have to accept that God does things that are not to our liking. Only the Pope is infallible.

Instead of making forecasts, let me point out what we have done to date. The government's operating balance has risen from a $4 billion deficit in 1993–94 to a $17.6 billion surplus this year, a $21.6 billion improvement. Within that amount, there was a $6 billion improvement in the U.I. fund deficit. This means that, looking at the cuts, the reorganization of public finances, less than 30 per cent has come from the unemployment insurance fund, and 70 per cent from government activities, cuts and other steps.

* * *

OLD AGE PENSIONS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I would first off remind the Minister of Finance that the Canadian Institute of Actuaries and almost all employer organizations, including the Conseil du patronat du Québec, are today calling for a separate account for unemployment insurance, separate from the government's revenue and expenditure budget. He seems to have forgotten it at the moment. He is talking about 1988; he should be looking at 1995.

The Minister of Finance has made the unemployed carry a major portion of his cuts to program expenditures and he is now saying that, to reach his new deficit reduction targets by 1997–98, he has to make additional cuts of several billion dollars.

With the Minister of Finance clearly indicating yesterday his intention to go after old age pensions, are we to understand that, as of next year, the brunt of the additional cuts will fall on current and future recipients of old age pensions?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first, there is a separate account for unemployment insurance, now employment insurance. So there already is one. However, even with the separate account, the auditor general is insisting it be included with our figures.

• (1425)

Second, unemployment insurance premiums have been reduced by a billion and a quarter dollars, as announced by the Minister of Human Resources. This is a huge reduction, which will contribute to job creation.

Third, as regards the old age pensions, I said the exact opposite to what the member is saying. I said that the statements the Prime Minister has already made regarding old age pensions will certainly be foremost in our minds when we draw up the budget.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, we put the question to the Minister of Finance and he says that the unemployment insurance surplus is part of the consolidated fund; the next day he says it is not. We do not know which way is up.

I will put the question to him another way. We are giving him his fourth and fifth chances today. Since his government has just grabbed the surplus in the unemployment insurance fund and drastically limited access to it, will the Minister of Finance acknowledge that he is preparing to do the same thing to the old age pensions, that is, in addition to cutting them, he will make benefits harder to obtain?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is possible to have a separate account and still have consolidated funds.

I understand the member's problem. He is an economist, and economists have a hard time understanding accounting. Perhaps the member for Roberval will explain it to him.

Furthermore, we were very clear on the pension funds. Our aim is to leave seniors untouched and to protect the system so it will be there for young people.

* * *

[*English*]

THE DEFICIT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, innumerable ordinary Canadians, business leaders, think tanks, economists and the IMF insist that setting interim targets for the deficit is not enough. They have urged the Minister of Finance to set targets for the complete elimination of the deficit within this government's mandate. I am baffled that the finance minister blinked and missed the easy opportunity to do so.

Only relatively small additional cuts are needed to satisfy these Canadians. The interim targets he chose increase the uncertainty about the government's resolve and prevent getting into the virtual cycle of more growth, even faster deficit elimination and lower interest rates.

Why has the minister chosen to subject Canadians to essential surgery but not enough to get rid of the malignant tumour?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, perhaps the best way to answer the hon. member's question is to cite an economist of great reputation whom I am sure the hon. member knows, Carl Weinberg from High Frequency Economics.

In referring both to the IMF and to the kind of measures recommended by the hon. member, he says that the hon. member's advice is geared toward a country that cannot meet its bills or obligations, that is facing all kinds of international actions to try to withdraw money from it. He then goes on to say, showing far greater confidence than the members of the Reform Party, that Canada "is not in that case and therefore should not be subject to those kinds of measures. I think those measures would succeed in bringing the deficit down but with catastrophic economic consequences. I do not think it is warranted to take that kind of extreme action". That is his opinion, that is our opinion, and it is an intelligent opinion.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I am sure the many economists and business leaders who testified in front of the finance committee will know they are stupid and do not know what they are talking about.

I am somewhat surprised that the minister did not bring up this strawman comment that to do more would mean slash and burn. I am shocked that on other occasions the minister has attempted to portray all deficit cutting as slash and burn.

We know of the minister's love for hyperbole and the risk it brings, but the minister knows he is knocking a strawman. The IMF, his own advisers and Reform have offered plans that would eliminate the deficit by cutting fat and unaffordable transfer programs. Frank McKenna, Clyde Wells and other Liberal friends of his have shown how to do it.

• (1430)

Why does the minister not follow the consensus advice and examples available to him and make the cuts needed to preserve Canada's social safety net and enable Canadians to get back to work?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I am sure that Clyde Wells and Frank McKenna would be delighted to be cited by the hon. member. I now look forward to the finance ministers' meeting next week.

The measures that we have taken are going to allow us to protect Canada's social fabric. If one looks at the budget that was brought in by the Reform Party, there is no doubt about how quickly it would get the deficit eliminated.

Some hon. members: Hear, hear.

Mr. Martin (LaSalle—Émard): The members of the Reform Party applaud, but let us look at what they are applauding. They are applauding the evisceration of the health care system. They are applauding the evisceration of old age pensions. They are applauding the evisceration of the program to help small business into exports.

What the Reform Party members are applauding are the basic programs that are going to enable this country to go into the next century far healthier than any other country in the G–7.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the people who came to the finance committee complained about the terrible consequences of the $4 billion cuts that took place last year.

What the minister does not want to admit is that because he cut so little all those cuts were for naught. All $4 billion was eaten up by increased interest costs. That is the issue.

Furthermore, the finance minister's logic needs some help. The first premise he presented yesterday: deficit reduction leads to lower interest rates, more jobs, economic growth and tax cuts. Premise two, which is implicit in the free—

Mr. Young: No, Mr. Speaker, let him go. That was a good question.

The Speaker: I would ask hon. members, both those putting questions and those giving answers, if they could condense them. I would invite the member to please put his question.

Mr. Grubel: Yes, Mr. Speaker, but as a lead off questioner I thought I would get just a tiny bit more.

An hon. member: Even the same as the Bloc would be helpful.

Mr. Grubel: Mr. Speaker, if lower interest rates create jobs and lower deficits create jobs, why does the minister not follow his own logic and go all the way and eliminate the deficit?

Mr. Hermanson: Right on.

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 lower deficits lead to lower interest rates and to more jobs, but it is simply a function of balance. If we go too far, we are going to cause a great deal more long term damage.

I thought it was expressed really quite well yesterday. The leader of the Reform Party, the member will remember, made an analogy to a fiscal drunk running down the highway. That is probably not a bad analogy to the differences between our two parties. What we are going to do is sober that drunk up. What the Reform Party does is run him over.

Some hon. members: Hear, hear.

• (1435)

The Speaker: I should tell members we are going to shorten the questions and I am going to help you.

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[*Translation*]

QUEBEC CULTURE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister.

Yesterday, the Prime Minister explained that there was no Quebec culture, but rather an English–Canadian and a French–Canadian culture. Last week, however, the Prime Minister tabled in this House a motion saying that one of the characteristics of Quebec's distinct society is its unique culture.

How can the Prime Minister reconcile the comments he made yesterday with his distinct society motion, when there is an obvious contradiction?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I never said yesterday that there was no Quebec culture. I said that Quebec culture is not necessarily limited to French, and that French culture also exists outside Quebec.

We believe so strongly in a Quebec culture that not only do we talk about it but we also tabled in the House a motion recognizing it. The hon. member for Rimouski—Témiscouata is voting against our distinct society proposal stating that Quebec is a distinct society by virtue of its French language, unique culture and civil code. This is a motion I tabled in this House to recognize Quebec culture, and Bloc members are voting against it.

I also explained that French culture is celebrated in all of Canada, and I named a number of prominent Canadians of whom francophones in both Quebec and Canada can be proud. I talked about Antonine Maillet, Gabrielle Roy, Roch Voisine, Henri Bergeron, and many others who speak French and have a French culture, even though not all of them are from Quebec. That is what the hon. member does not understand.

If she wants to recognize Quebec's unique culture, all she has to do is to support the motion that will be voted on next Monday in this House.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, frankly, it sounds like there is a Quebec culture on some days but not on others. I would like to know if Quebec culture exists on odd– or even–numbered days. We are stumbling about in the dark.

Does the obvious contradiction between the Prime Minister's comments and his motion not confirm that his motion is in fact a meaningless, empty shell that will not fool Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Canadian House of Commons is voting in favour of a motion clearly stating that Quebec is a distinct society by virtue of its French language, culture and civil code. It is the best way of putting it. And yet Bloc members are set to vote against it—because they will rise one by one in this House to vote and be recorded as saying that they do not want to support recognition of Quebec as a distinct society. They should be ashamed of themselves.

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[*English*]

THE ECONOMY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, obviously the Minister of Finance does not understand. The whole point of this exercise of eliminating the deficit and the debt is to lead the way toward social programs that we can sustain over the long run and also give people tax relief. That may be hard to understand if you do not pay taxes in this country, but that is what we are aiming for.

Why does the minister insist on prolonging the suffering of Canadians and denying them hope? Why does he do that with this narrow, inch at a time deficit elimination policy? Why does he refuse to completely eliminate the deficit and reduce taxes? Why does he not do his job?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, because I have seen the alternative.

I would ask the members of the Reform Party to take a look at the consequences of their own budget. It is impossible for the Reformers to say that what they want to do is protect old age pensions by reducing the deficit, when their means of getting there are to virtually eliminate the basic foundation for old age pensions.

• (1440)

It is impossible for the Reform Party to say that it wants to protect health care when it would erase the transfers that go to protect health care. It is impossible for the Reform Party to say that it wants to reduce taxes when it would pursue an industrial policy that would make it impossible for the country to create jobs.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, that is absolute rubbish. The fact is interest payments on the debt are undercutting social programs, which is exactly why the government is cutting unemployment insurance and making all kinds of other adjustments.

If the Liberals had dealt with this in the first year of their mandate we would not be in the hole we are in today. The finance minister has got to start accepting some responsibility. He blew it right from the beginning.

When can Canadians expect to get some tax relief? The minister is saying, trust me. It will be sometime in the next millennium, over the hill and beyond the horizon. When exactly are we going to get some tax relief in this country?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the most important kind of relief that this country should look to is a reduction in interest rates.

The member knows that if we were to proceed to a tax decrease right now that the net result would have an immediate impact on the budget. It would not lead to lower interest rates and might well lead to higher interest rates. In fact that is what is happening. That is what all the commentary is about now in those countries in Europe that are contemplating a tax decrease.

We are dealing in a very measured and deliberate way with a huge debt and a huge deficit which this government inherited. It inherited it from a previous government, the government that most of those people, the crypto–Tories over there, probably voted for 10 years ago.

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[*Translation*]

CANADIAN HERITAGE COMMITTEE

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Prime Minister. For the past two weeks, the Liberal members of the heritage committee have objected to the fact that two federal cultural agencies, namely the Canada Council and Telefilm Canada, subsidize artists or productions with a bias towards the sovereignist cause.

Since the Prime Minister skirted the issue yesterday, I am putting the question to him again today. Does he endorse the position taken by government members sitting on the heritage committee, who maintain that granting agencies should now fund artists according to their political opinions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, our policy on the subject is clear. The Canada Council is an independent agency that grants subsidies based on its own set of criteria. The fact of the matter is that the Quebec artistic community has always greatly benefited from the Canada Council, and everyone in the Quebec arts community is very pleased with the objectivity displayed by the Canada Council.

Members may not always be happy with the way a subsidy is granted or used. Freedom of expression is a privilege enjoyed by every Canadian.

It is like when the Canada Council buys paintings for the National Gallery; some like it, others do not. But they are at liberty to do so, and I think that nowhere in the world is the arts community afforded as much independence as in Canada.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, does the Prime Minister not agree that there is cause for concern when the head of the government seeks not only to control the information provided by a government agency but also to provide political guidance on the content of cultural productions subsidized by the Canada Council and by Telefilm Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not see how the hon. member can say something like that, because the law has not changed. The Canada Council is the same as it has always been, and our members are doing a very professional job.

I maintain that members are free to complain when they are unhappy about something, and they have indeed aired their complaints on many issues. That is what freedom of speech is all about. Members who have objections to raise should raise them. That is what they were elected to do. On the other hand, while it has to take their objections into account, the Canada Council is free to act as it sees fit.

• (1445)

I will not ask the members not to express discontent. Government members and opposition members alike are entitled to their opinions.

* * *

[*English*]

DEPARTMENT OF NATURAL RESOURCES

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, through access to information I received an audit from April 1994 that revealed the practice of hiring family members at Natural Resources Canada.

In one forestry office alone, the auditors counted 115 people in one year who got their jobs from relatives on the inside of the department. That was last year. This year a new audit says that there is still a major problem that the minister has yet to address.

Will the minister initiate a department–wide audit of contracting in her department to uncover the real extent of the family compact at NRCan, or will she at least get a family member to look into it?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me first point out to the hon. member that the audit to which he refers is an audit of contracting practices that took place during fiscal year 1992–93, before this government came to power.

Let me indicate further that it was this government that undertook an audit in relation to contracting and management practices in the Department of Natural Resources. We determined that those problems existed. We have taken corrective measures in relation to them.

An audit done in June 1995 indicates that we have corrected the mistakes of the past. We have put in place management practices and courses in relation to conflict of interest. I might say to the hon. member that to the satisfaction of the auditors involved we have been successful in dealing with the practices that were identified as unacceptable.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I would like to think that most of the relatives were already hired, but this year's audit also says that bypassing merit to hire family members has become an accepted way of doing business in the department.

It is not acceptable, which is why I asked for the list of contracts the department had investigated so that we could have a look to see how deep this mess was within the department.

Incredibly we find the department did not keep such a list or now it cannot find it. Will the minister undertake to find this list of contracts and table it in the House so we can see whether the problem of nepotism extends to her department?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, I can assure the hon. member that corrective action has been taken.

Mr. Abbott: Prove it.

Ms. McLellan: I am quite happy to prove it to the hon. member. I have a list of measures we have taken in my department to correct the situation. I will be happy to share it with the hon. member.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the study commissioned by the CBC on the coverage of the referendum campaign reveals that the French network gave essentially the same coverage to the yes and the no sides, whereas the English network gave almost two thirds of its time to the no side. Yet, the study concludes that both the French and English networks were neutral in their coverage.

Does the Minister of Canadian Heritage agree with the conclusion that CBC's English network was neutral in its coverage of the referendum campaign?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I do not draw conclusions on studies I have not yet seen. The CBC's board of directors asked for some reports. I am told that these reports were submitted to the board. I still have not received them. I will comment after seeing them.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the minister does not want to make a pronouncement. However, given that today's newspapers mention that the French network gave 52 per cent of its time coverage to the yes side and 48 per cent to the no side, while the English network gave 62 per cent of its time coverage to the no side and 38 per cent to the yes side, could the minister make some enlightening comments on these figures?

• (1450)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I know that the CBC's board of directors intends to follow up on the report. Again, I am reluctant to comment on figures taken from a newspaper article. I want to get much more information on the CBC's coverage and on the exact nature of the report.

* * *

[*English*]

TORONTO

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, the greater Toronto area is home to 4.5 million people. The area has been disproportionately impacted by the recession and continues to lag in the recovery, with negative repercussions for the entire Canadian economy.

The Government of Canada spends millions and millions of dollars in the GTA often in ways people do not see directly. My question is for the minister responsible for the infrastructure program. Will he tell the House how that one program is contributing to economic recovery in the greater Toronto area?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, in answering the question I am pleased to note in the gallery opposite a holder of an office that I had the pleasure of holding at one time. I am pleased to note and welcome the mayor of Toronto, Her Worship Barbara Hall, to the House.

In the greater Toronto area we have approved over 300 infrastructure projects involving an infusion of some $755 million, which has created in excess of 11,000 jobs in that area. With the co-operation of Mayor Hall and the Toronto City Council many of these projects have been in the downtown Toronto area.

All these projects, just like all projects across the country, have helped to put Canadians back to work, have helped to strengthen the infrastructure in our communities and to bring in additional investment dollars. They have all been done in a co-operative way, which proves that the federal, provincial and local governments can work together for the improvement of the quality of life of Canadians.

Oral Questions

GOVERNMENT APPOINTMENTS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Minister of Canadian Heritage recently made a number of appointments to the board of directors of the Museum of Civilization.

Is he aware that one of the appointments is a senior partner of the lawyer who was responsible for the election campaign of the Minister of Intergovernmental Affairs? Yes or no.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, appointments are made as a result of a very careful scrutiny of the ability of people to exercise office. This is what was done in that case, as with any other appointments in my portfolio.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I may have missed the answer. I was looking for a yes or no. The point is the scrutiny seems to include Liberal credentials because the Liberals continue the old–fashioned discredited practice of feeding their friends lucrative government posts. In so doing they denigrate our public institutions.

Let me remind the minister that the appearance of conflict of interest is against the current code of conduct of public office holders. My question is simple. Did he know this appointment was against the conflict of interest code?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, these appointments are scrutinized from that viewpoint as well.

As to the notion that Liberals have no capability to fill any office, the member should remember that the president of the Canadian Broadcasting Corporation is Perrin Beatty who did not sit with the Liberals in the previous Parliament.

* * *

[*Translation*]

COAST GUARD

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

At a meeting of the Société de développement du Saint–Laurent on November 23, the commissioner of the Coast Guard refused to rule out the possibility that the cost of icebreaking would be charged directly to the users of the St. Lawrence, which would mean that Quebec shipowners would have to bear nearly half of all the new costs charged to shipowners for Coast Guard services.

How does the minister explain his government's contemplating making Quebec shipowners pay the cost of icebreaking on the St. Lawrence, when this service is free in the North?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I know that the hon. member follows the activities of the Coast Guard very closely and he is no doubt aware that it now comes under the Minister of Fisheries and Oceans.

• (1455)

However, I wish to assure my hon. colleague that the costs that will be recovered in all transport sectors are not going to be limited to those who own ships in the St. Lawrence. Most of the ships plying the St. Lawrence do not belong to Quebecers, nor to Canadians, for that matter.

That said, we will be ensuring that, in all sectors, costs incurred will be recovered from users.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, the minister is forcing me to point out that the Minister of Fisheries and Oceans was not present in the House, and that is why I asked him—

Some hon. members: Oh, oh.

The Speaker: I would ask the hon. member to put his question.

Mr. Guimond: Mr. Speaker, does the minister, being responsible for marine transportation, realize that, by charging shipowners using the St. Lawrence the cost of icebreaking, he is threatening the competitiveness of the St. Lawrence ports, and particularly the port of Montreal?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, when the hon. member asked his question, he said clearly that the person in question, the one who made the statement, did not want to rule out the possibility that all costs would be recovered for icebreaking operations in the St. Lawrence.

In the coming days, we will announce the future policy and strategy for the entire marine sector. At that point, we will certainly have an opportunity to properly discuss a question of potential concern to everyone. User costs will be discussed and debated.

I would reassure the hon. member and the people directly affected that no final decision has been made on this yet.

[*English*]

PENITENTIARIES

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, members of the House might be surprised to learn that presently there is no effective way to prevent prisoners from harassing their victims from inside their jail cells.

One Vancouver jailbird has been leaving up to 16 messages a day on his victim's answering machine as well as sending letters from the prison even though the court has told him not to.

I am sure there will be an outpouring of sympathy from the Minister of Justice, but the Canadian people would like to know what he will do to stop this harassment and when he will do it.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, new policies are being put in place with respect to access to telephones by prisoners in federal institutions. Work is ongoing with respect to mailing privileges as well.

Would the hon. member, since he did not give me notice of the question, confirm that the prisoner in question is in fact in a federal institution?

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, the Minister of Justice did not have the opportunity to express sympathy, but I am pleased to hear at least a partial answer from the solicitor general.

I will repeat my question. Since the solicitor general indicates that something is being done, when will he do it, an exact date, and what exactly will he do?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, since the hon. member obviously did not listen to my answer, I suggest he read *Hansard* tomorrow and consider whether he wants to ask the question again.

* * *

CONTRAVENTIONS ACT

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, my question is for the Minister of Justice. Presently there is no effective enforcement for people who misuse our waterways and endanger the lives of other Canadians. The Contraventions Act, passed in 1992, would fix this situation but has never been proclaimed into law.

Will the minister tell the House how he intends to ensure boating regulations are enforced and Canadian lives are protected on our lakes and rivers?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, no member of the House has worked harder in the cause of facilitating the enforcement of safety rules on the waterways than the hon. member for Parry Sound—Muskoka. I thank him for his help in that regard.

It was through the work of the hon. member that I met with the executive of the Muskoka Lakes Association which brought home to me the urgency of dealing effectively with this matter. As a result, officials in the federal Department of Justice have worked with provincial counterparts to put the provincial schemes and mechanisms for ticketing of offences at the disposal of the federal government through the federal Contraventions Act.

• (1500)

I am pleased to say that next week I intend to introduce legislation which will amend the Contraventions Act federally to enable us to use the provincial mechanisms. This not only allows us to keep the waterways safer and have effective enforcement but it also avoids duplication, overlap and needless expense. It serves to that extent the interests of the people of Canada.

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MOBILITY RIGHTS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the right hon. Prime Minister.

The Prime Minister will know that British Columbia has become a destination province as of late with up to 92,000 Canadians moving to the province, many of them paid for by their own provincial governments, and consequently falling on welfare.

Recognizing that labour mobility is a national issue, would the Prime Minister give some consideration to examining the possibility of providing labour mobility grants to the province of British Columbia to offset some of the costs of 92,000 Canadians moving into the province each year?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for his question. It allows me an opportunity to update the House of Commons.

This morning the British Columbia minister of social services, Joy MacPhail, and the federal Minister of Human Resources Development met to discuss the issue relating to residency requirements. As you know, Mr. Speaker, we have no choice in this matter. The British Columbia government is contravening the act, particularly sections 5 and 7 of the Canada assistance plan.

As to the idea raised by the hon. member, he can rest assured that ideas such as the one he cited will be part and parcel of discussions that federal officials will undertake very shortly.

* * *

EMPLOYMENT

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Finance.

In the past when profits were made, more jobs were created. In light of record corporate profits in some sectors, the banks especially, can the minister explain why there are also a record number of layoffs? Does the minister have any plan to encourage reinvestment of these profits to create new jobs for Canadians?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member raises a question that is really one of the most difficult of the modern economy which is that because of globalization and because of new technologies a lot of companies are seen maintaining or increasing their profits, not as a result of increasing sales but because they are cutting costs. They are letting people go. Of course this sets in motion a vicious train of events where one company lays off and then others have to.

As a result of this, the government has embarked upon a series of fundamental reforms in its job creation activities. The unemployment insurance reform announced last week deals directly with that question as do a number of the measures in terms of the information highway by the Minister of Industry and of course the very important activities of my colleague, the Minister for International Trade.

At the same time the fact is we have to get a rising economy. That is why when we embark upon deficit reduction we do it in a balanced way. We do not slash and burn.

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PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in the gallery of two guests: Gregory Rockman, member of Parliament for the African National Congress and Gerhard Koomhpof, member of Parliament for the National Party of South Africa.

Some hon. members: Hear, hear.

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[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it would be appreciated if the Leader of the Government would indicate the order of business until Christmas.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, today and tomorrow are opposition days. Votes arising from these days and from other business of supply will be taken at the end of business on Monday, which is when the House will also vote on Motion No. M–26 which completed debate yesterday.

Our first priority next week is to dispose of report stage and third reading stage of Bill C–110, the constitutional amendment bill, that is to say the regional veto bill.

• (1505)

We would also like to refer Bill C–111, the unemployment insurance bill, to committee before second reading, pursuant to Standing Order 73(1). The House should take this as notice of our intention to do this.

On Monday we will probably start with Bill C–111 in the morning and turn to Bill C–110 in the afternoon, that is to say the bill on the regional veto.

We would also like to complete before Christmas as many bills as possible that are now at report stage or third reading stage. There will be ongoing discussions between the parties in this House for this purpose.

I am told the Standing Committee on Finance will have an interim report on budget consultations presented to the House before the middle of next week. We would like to have the House consider the report of the finance committee on Thursday and Friday next week.

The Speaker: I have a point of privilege by the hon. member for Scarborough Centre. I must ask the hon. member, does this point of privilege arise from today's question period?

Mr. Cannis: No, Mr. Speaker. It arises from an incident which occurred this past Tuesday.

The Speaker: Then I would have to receive written notice unless it occurred today. I would be happy to entertain that as soon as the hon. member puts the information into my hands.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—BRITISH COLUMBIA LAND CLAIMS

The House resumed consideration of the motion.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, it should come as no surprise today that the Bloc Quebecois has decided to vote against the motion presented by the Reform Party, a motion that of course aims to prevent and obstruct current negotiations.

It is clear, in our opinion, that a variety of concepts are implicit in this kind of motion. It is clear that trilateral negotiations between the federal and provincial governments and the First Nations must be redefined. The First Nations have consistently said that the status quo is unacceptable. They are not alone in that respect. I think that as far as Quebec is concerned, the results of the last referendum indicated that the status quo was unacceptable and that the only option is sovereignty and greater autonomy. Sovereignty will give us that greater autonomy, and we see the same need for autonomy among the First Nations.

The Reform Party's motion also implies a desire to block negotiations for strictly political reasons which I will be glad to enumerate later on. But how could anyone consider putting a stop to a peaceful and equitable process that will redress the injustice perpetrated 150 years ago? We are about to begin a negotiating process, and out of the blue, for purely political reasons, the Reform Party introduces a motion to block negotiations that are peaceful and will correct past injustice.

This is totally unacceptable to us, and as I said before, it should come as no surprise that the Bloc Quebecois intends to vote against this motion. We should remember that cases involving aboriginal peoples and aboriginal rights are probably the oldest human rights issues in Canada. These issues remain unresolved, and this is a chapter of Canada's history that has been left unfinished. Attempts are being made to remedy this elsewhere. Attempts are being made across Canada, and in British Columbia the circumstances seem to have been ideal for bringing these negotiations to fruition.

Now we have a proposal that would simply terminate these attempts. The debate on aboriginal rights started only twenty or thirty years ago and has been pursued openly and with great zeal in the political and public arenas. Unfortunately, this proposal would simply extinguish those rights, blocking the whole process that led up to the current situation where we have all parties in a position negotiate on the same level. This is a proposal we cannot accept.

• (1510)

I want to read the motion, because we feel that the Reform Party is not the only one to blame here. I think the motion reveals the true colours not only of the Reform Party, but also of the Liberal Party. The motions reads as follows:

> That the House urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the current provincial government mandate in order to respect the views of British Columbians on this issue as expressed by both major provincial opposition parties.

I talked with some of my colleagues from British Columbia and I learned that one of the two major opposition parties in B.C. is the Reform Party. Of course, my colleagues hastened to tell me that the national Reform Party does not recognize any provincial subsidiaries. However, I find it strange that the Reform Party would put forward a motion supported by an opposition party in B.C. which happens to have the same name as it does.

We now see the true colours of the Reform Party. But we also see the true colours of the Liberals. I heard my colleagues talk about their opposition to this motion. When we listen to the members of the Liberal government and when we look at the measures they take, we can see the true nature of these people. We can tell by their attitude towards the native people.

When I look at everything the Liberal Party has proposed for the native people and when I see that the B.C. Liberal Party is behind this motion, the first question I ask myself is why has the Liberal Party here, in Ottawa, not contacted its brother, the B.C. Liberal Party, to try to settle this issue.

I think that the current government here, in this House, is hiding behind the public opinion, which, as we may see later on, might well be unamenable to this initiative. Why is it that the Liberal Party and the indian affairs minister have not called the person in charge of the B.C. Liberal Party, one of the opposition parties in that province? One has to wonder about that. Especially since the policies put forward by this government in its famous red book have not even been implemented yet; we think that the Liberal government is dragging its feet on this issue.

The famous self–government policy that was denounced by all aboriginal representatives in Canada is a case in point. This policy was developed behind closed doors, without consulting aboriginal leaders and representatives. We now have a proposal that will be difficult to put in place because it was not approved by aboriginal representatives.

The same goes for the red book promise to create a land claims commission. The other day, a British Columbia member tabled a motion stressing the importance of creating an independent commission. Once again, the Liberal government is dragging its feet on this issue. Even with their speeches opposing the Reform motion before us, we wonder if they are not in fact a little responsible for what is now happening in British Columbia.

This is a purely political matter. If we look at the motion before us, we know that an election will be held one year from now. What does this mean? I see this as a dangerous precedent. It means that the world stops turning just before an election. The things that have been put forward, that have been working for a while, must stop because opposition parties are opposed to them. This is complete nonsense, in my opinion.

When I say that this is purely political, I mean not only for opposition parties but also for the party in office in that province, the NDP, which is going through a very hard time. I think that only 10 or 12 per cent of people intend to vote for them in the next election. This process was also held up by the Premier of that province a while ago, mainly as a result of public opinion because the public is unfortunately misinformed.

In British Columbia, the issue of negotiations with aboriginal people has simply been held hostage by this type of political resolution. I think that such tactics should be condemned.

• (1515)

These people have suffered injustices for 150 years. They have probably been the most patient in agreeing to peaceful negotiations. Today, we are being asked to stop this process, something we find totally unacceptable.

I also raised a number of points during consideration of the B.C. treaty commission legislation by the committee. I raised them because the B.C. commission legislation provides that we should educate the people of that province to dispel the rampant rumours and misconceptions and to set the record straight. I found out the worst misconception when I arrived here as native affairs critic. It came from my Reform colleagues from B.C. who were trying to show me that 125 per cent of the B.C. territory was the subject of land claims.

So I said: "Does this 125 per cent mean that the native people would take over all of B.C. and then push the white people into the sea?" They then explained to me that this figure was mostly due to overlap between land claims, that if we plot these claims on a map of the province, it is clear that their total surface area is bigger than all of B.C.

I think that the people of B.C. must be told that this is an initial bargaining position. Some of my colleagues also expressed their views to the land claims commission last week. They said that some Quebecers sometimes fear that the map of Quebec will be cut up and that native people will own 80 per cent of the territory. But I think that many realize that this is an initial bargaining position. As the negotiations conducted in Canada in the past few years show, a native people's initial position may change by the time negotiations are concluded.

This education work must be done. People also feel that negotiations are conducted in secrecy. What are the current headlines in B.C. newspapers such as the *Vancouver Sun*? Remarks made by Reformers often exacerbate this kind of paranoia toward First Nations. And this kind of motion goes exactly along the same lines. Members from British Columbia say: "Look, they are going to take 125 per cent of the land and that will cause a great deal of uncertainty. Companies invest less in certain regions of B.C. than others because they are afraid that the land will be taken over by the aboriginals".

That is not how bargaining works. In fact, a six–step process was instituted by the commission, and we should give it a chance to lead to a conclusion that is to everybody's satisfaction. These are the fundamentals of bargaining. You start at the beginning and you end at the finish line, and everyone has to compromise a little along the way to end up with a satisfactory position.

I think it is important also to mention the contribution of the Nisga'a nation to the kind of discussions we are holding today. While legislation was passed last week respecting the British Columbia Treaty Commission, the Nisga'as were intentionally excluded from such negotiations, because they have been discussing vigorously with the government to settle a land claim and a self–government issue. We must always bear in mind the historical background and realize, with the help of examples such as the one I will give the House today, namely the case of the Nisga'a, that it is refreshing to see that First Nations are able to use peaceful tools known to everyone, and used in the British parliamentary system for ages. I am referring here negotiation.

I myself had the pleasure and the privilege to visit the Nisga'a last summer. They live along the Nass River and they never signed a treaty with the government. In fact, this is a characteristic of British Columbia; very few treaties were signed in B.C. That is why the commission was established: to develop a process to encourage every First Nation in British Columbia to enter into agreements with the crown and the province.

• (1520)

So, they never signed a treaty. Yet, they represent about 6,000 people and they are pioneers as regards aboriginal negotiations in Canada. The case of the Nisga'a is a good example of the quest of Canada's aboriginals for legal recognition of their rights.

Let us review a bit of history here. In 1763, aboriginal titles were recognized by the proclamation of King George III. Governments were the only ones allowed to buy Indian land, and could do so only through treaties. As I said earlier, the first nations of British Columbia signed only 15 agreements, and 14 of them deal with Vancouver Island. The Douglas treaty was signed by James Douglas, of the Hudson's Bay Company.

In 1858, British Columbia became a colony. It joined the Canadian Confederation in 1871. At the time, the majority of the province's population was made up of first nation members. Yet, the first nations agreed to share the land with newcomers. The result of all this is that, today, these people are to be found in close to 200 reserves in B.C., while the rest of the land is occupied by white people who develop its natural resources. The aboriginals have been left to fend for themselves. This is why it is so important to establish the British Columbia Treaty Commission and give it time to reach agreements with the first

nations. However, the Reform Party motion would keep us from doing that.

I will move along in time to get to more contemporary events. In 1910, Prime Minister Laurier promised, in Prince Rupert, that the land issue would be solved. In 1913, the Nisga'a, ever careful when negotiating, sent a first petition to the Privy Council, in London. Some years later, in 1927, in response to that initiative, the federal government prohibited aboriginals from organizing themselves for the purpose of discussing land issues and claims. The government's reaction was: "Listen, there are problems, but we do not want to discuss them, and we do not want you to discuss them". The way things were done at the time is somewhat reminiscent of Reform's 1995 proposal: preventing parties from talking to each other.

I think that what was hardly acceptable in 1927 has become totally unacceptable in 1995. My B.C. colleagues may be surprised to learn that the first native member of Parliament in the Commonwealth was a Nisga'a. The first native member of this House, Frank Calder, is behind the Calder decision to which I will come back later.

In 1955, the native lands committee was re-established thanks to the Nisga'a tribal council. In 1968, the Nisga'a went to court to have their aboriginal titles recognized. In 1973, there was the Frank Calder case I referred to earlier.

After over 14 months of deliberations, the Supreme Court of Canada handed down a divided ruling. Of the six judges who concluded that the Nisga'a did hold aboriginal land titles, three ruled that these titles had expired while the other three decided that they were still valid.

This ruling was important because, in 1972, Pierre Trudeau was still leading a minority government. The opposition parties during and after the ruling urged the government to recognize its obligations and settle the land claims in that province. On August 8, 1973, the current Prime Minister announced that the government was committed to settling the claims.

In 1976, land claims negotiations started between the Nisga'a and the federal government. The claims had been filed almost 70 years earlier. And the province entered into negotiations in 1991. As I indicated the last time I spoke on this issue, at third reading of the bill dealing with the British Columbia Treaty Commission, the B.C. Indian affairs department set the whole thing in motion.

Why negotiate treaties? So far, the status quo has proven costly in terms of energy, legal and strategic battles, but also battles in the streets, on highways and on the reserves. Those who advocate violence to resolve their problems must not be proven right. We have here a nation who keeps believing in going the way of peaceful negotiation. I think we should give them a chance to complete their quest for peaceful negotiation.

• (1525)

The Reform Party is probably motivated by financial considerations, although the motion does not say so. Perhaps we could respond to that that current provincial and federal profits on the land in question are very substantial. I have seen with my own eyes forest harvesting in British Columbia. Natural resources are plentiful in B.C., so money is not the issue. It is more a matter of knowing where the money is going.

Right now, some private interests in British Columbia may be on the side of the Reform Party, or have that party on their side, and demand that motions like this one be debated in the House. Maybe this is the case because the Department of Natural Resources is currently racing against the clock—and I know because I saw it—to get, as quickly as possible, natural resources out of lands that will sooner or later belong to aboriginals. The process is simple: all the natural resources are taken out of the land. Once that process is completed, the government will tell aboriginal nations: "We are now prepared to negotiate to give you the land and its natural resources". But there will be nothing left.

Is this what the Reform Party wants? Why does the Liberal Party not go further? Why does the federal Indian affairs minister not call the Liberal opposition party in British Columbia and say: "Look, forget about that. It does not make any sense. We have to reach a settlement with aboriginal people".

I want to ask the Reform Party—since its members will ask me some questions in a minute—when would be a good time for the federal to sign an agreement with the province and the First Nations. What solutions is the Reform Party contemplating to conclude land claim negotiations in British Columbia? What does it think of aboriginal land titles that have been recognized by the courts?

It seems that, as far as the Reform Party is concerned, there will never be a good time to sign an agreement. As for us, Bloc Quebecois members, we feel that the First Nations should not used as a political pawn. The time has come to put an end to the injustices. Quebecers have realized that and this is why we set up model conventions and agreements on land claims. I ask Reform Party members to do the same, and I also ask Liberal members to put pressure on their B.C. fellow Liberals, so that they do not get involved in a scheme that would prevent peaceful negotiation.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I listened to the hon. member's speech with interest, as we both sit on the aboriginal affairs standing committee.

The member and other members in the House are misreading our motion. We are saying there should be no final agreement in the next few months because the next few months is the length of time that we expect the provincial government that is currently in place to be there. That is all we are asking for. We are not asking for everything to be thrown out. We are not building a brick wall.

The member talked about 500–year–old grievances. To me that is very indicative of how little people not from the western part of Canada understand about British Columbia and other parts of western Canada. Five hundred years ago was long before contact with Europeans and certainly long before any grievance.

As for the statements that were made about negotiating positions, I concur with the member. That is what negotiating is all about. All of us in our life enter into all kinds of negotiations.

The B.C. treaty process has been in effect since 1993. It has been given a chance to work. The member talked about giving it a chance to work. It has been found lacking. We are asking for some changes. The public is asking for some changes. This will be complementary to the process.

• (1530)

I do realize the Nisga'a have been negotiating for 20 years with the federal government. That is one added rationale why the next two or three months should not have all the importance attributed to them. I fail to understand that. To me it reinforces the point we are trying to make that we should not do a last minute rush on an agreement that will set a precedent for the 47 other negotiations going on in British Columbia.

There was a reference in the member's speech to the royal proclamation. Once again British Columbia is different. The jurisprudence is that the royal proclamation has no implications or ramifications for British Columbia because of the time of the royal proclamation and the age of British Columbia, when it came into Confederation and so on. It has no ramifications in British Columbia.

The member talked about British Columbia as a population that consists of natives and white people. That is so far from reality. British Columbia is probably the most multicultural, pluralistic society in North America. I would not be surprised if it was the most multicultural and pluralistic of almost anywhere other than some parts of South America.

There is every hue of colour and every culture on earth represented in British Columbia. That is significant because we are very used to respecting, working with and living with other cultures, which is pluralistic. We are trying to create a pluralistic society, not one divided.

There was more than a suggestion in the member's speech that we are trying to prevent the parties from coming together. What nonsense. There was a total misrepresentation of the Calder decision. I suggest the member read the Calder decision, not somebody's summary that is a misrepresentation of what that decision actually was and what it said.

As someone who spent 20 years in the resource industry, the forest industry in British Columbia, some of the statements made about the condition of the forests and the logging in the province I find quite distressing. I do not believe the depth of knowledge is—

The Speaker: My colleague, you have used up half the time for comments and questions. I will give the hon. member for Saint–Jean the opportunity to respond.

[*Translation*]

Mr. Bachand: Mr. Speaker, the hon. member has raised several points. I can tell him that, yes, he is right about the multi–ethnic society. I myself have seen the high numbers of aboriginal people in the culturally mixed city of Vancouver.

The aboriginal people are a bit fed up with trying to gain recognition. They have gained cultural recognition, but when it comes to business and finance, to recognition of their right to territorial self–government, to total financial autonomy, the path is a rougher one.

The motion before us is very clear. It asks the government not to enter into any binding trilateral agreement. This means that, in the negotiations with the Nisga'a where we are in the final stages of negotiation right now, if a conclusion is reached they are being told not to sign.

Why not? Because there will be an election in a year, in order to respect the views of British Columbians on this issue as expressed by both major provincial opposition parties. Clearly, totally political motives.

• (1535)

As I was just saying, and I will repeat it here, it is not acceptable for aboriginal negotiations to be held hostage, whether the negotiating process as a whole, or the beginning of the process, or the signature stage. Everything must proceed as set out in the British Columbia Treaty Commission. It absolutely must continue.

This past summer I met with the Chilcotin, the Carrier–Sekani and the Nisga'a, and I have seen the destruction of their forests, both from the air and on the ground. I feel it is urgent for these matters to be settled at the fundamental level, so that agreement may be reached once and for all to remedy this injustice.

It is my feeling that the process currently in place in B.C. is working very well and will lead to a settlement. The motion before us is quite simply aimed at slowing down the entire process, and that is why we are opposed to it.

[*English*]

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I will be splitting my time.

I rise to express my concern and shock at the motion of the hon. member from North Island—Powell River. He asks us to delay the land claims process in British Columbia during the final year of the mandate of the provincial government.

It makes me wonder if he and his colleagues will not be here next year with a similar motion asking us to delay it for the first year of the mandate of the next government while it gets itself organized. It seems to me that in Canada we cannot proceed in that fashion.

The Government of Canada has maintained that providing justice and equity for aboriginal peoples requires two ingredients, self–government and a process for making modern day treaties through comprehensive claims. Canadians have been wrestling with these issues for years. The Reform Party has used the self–government issue to fan the flames of fear and apprehension during the debates over the Charlottetown accord. Now it continues to stir up controversy in British Columbia through its misrepresentations of the treaty process.

I heard hon. members opposite make a great deal of the media reports of the total First Nations claims adding up to 110 percent of the province of British Columbia. The total should not surprise us. Why should the claims not overlap one another? The First Nations have shared the land and its resources for centuries. They have migrated and tapped the resources of different locales at different times.

They have been asked as a part of the treaty making process to describe the geographic area of the First Nation's traditional territory of British Columbia. They provide a map of the traditional areas of their ancestors. This map depicts the territory of a nation as it occupied it historically. These maps are used to provide negotiators with a general idea of what area of land is under question. This is simply part of stage one of the process which is called a statement of intent.

A statement of intent is not a settlement. A claim is not a treaty. A treaty is the result of negotiations, and those negotiations are just beginning. The claims are but the starting bargaining position. No First Nation would expect to receive the entire region described in its statement of intent. The First Nations do not expect a fee simple title to the entire province. When two First Nations have overlapping traditional territories, they will settle the matter as the negotiations proceed. The federal and provincial governments do not participate in negotiating an overlap settlement.

Several members from across the floor, members who ought to know better, have been using the claims to instil fear among British Columbians. They infer that these opening positions will lead to lost property for third parties across the province. They ask British Columbians: "What will become of your summer cottages? What will happen to jobs in the mining and forestry sectors? What will happen to the fisheries?" They raised these fears without adding that the treaty process provides for cottage owners and a broad spectrum of the industries of British Columbia to have a voice in the process.

• (1540)

They neglect to tell the people at town hall meetings or on radio talk shows the Government of Canada consults with a treaty negotiations advisory committee representing many of their interests. They do not tell people no negotiations can proceed until a regional advisory committee has been created to provide the views of British Columbians from that part of the province who are not at the negotiating table.

This pattern of misinformation and fear mongering is typical of the tactics some members on the other side of the House have used to score cheap political points. They have often criticized the government for its dedication to the inherent right of self–government as a cornerstone of the Government of Canada's aboriginal policy.

We have said since the beginning, since the red book that provided our election platform, that we believe the inherent right of self–government is an existing right within Canada's Constitution.

Hon. members across the floor have often made the case that no one has defined what self–government means. That argument has been erected as an obstacle to prevent justice from getting through to aboriginal communities across the entire country. That argument speaks to a kind of mean spirited and narrow minded approach that has thwarted efforts to bring justice to aboriginal issues. It speaks for the tyranny of the status quo. It speaks for the preservation of the paternalism of the Indian Act. Is that what Reform members want to uphold? I like to think not. Do they really want to impede progress, impede the righting of past wrongs, impede certainty for the future, impede economic stability, impede job creation?

All Canadians want the claims settled. They want an end to the uncertainty, an end to ancient wrongs. The negotiations are about how, not whether, the settlements should be resolved.

We want to make progress. One way we are doing this is by acknowledging that the inherent right to self–government is an existing right. We are now negotiating with the First Nations on how that right is to be implemented.

I would like to remind the House of the six stages that a claim must go through before a treaty comes into effect. I think hon. members will observe this is a very thorough process.

In the first step a First Nation files a statement of intent with the B.C. Treaty Commission. The commission makes sure the statement is complete and forwards it to the federal and provincial governments. It is at this stage that the First Nation describes the geographic area in British Columbia it considers its traditional territory. Forty–seven statements of intent have been filed. These represent over 70 per cent of the aboriginal people of British Columbia. That is progress.

Second, the commission convenes a meeting to prepare for the negotiations. All three parties exchange information, consider the criteria, discuss the research they will do to prepare for the negotiations and identify issues of concern. Each party appoints a negotiator with a clear mandate. Each party establishes a ratification procedure, and the parties agree on the substantive and procedural matters that will be negotiated.

This is the stage at which Canada and the British Columbia government establish their own mechanisms for consultation with non–aboriginal interests. One requirement the B.C. Treaty Commission imposes on the two governments is the establishment of a regional consultative mechanism to represent thirty party interests.

When the commission determines that all three parties have met the criteria for readiness, it confirms they can proceed to stage three. This is where all three parties negotiate a framework agreement, a negotiated agenda that identifies the issues to be negotiated, the goals of the negotiation process, special procedural arrangements and a timetable for the negotiations.

So far four framework agreements have been signed and another four initialled by the negotiators. Again, this is progress.

• (1545)

In the fourth stage of the treaty process the parties negotiate an agreement in principle. These are substantive negotiations and the parties examine the framework in detail.

Fifth, the principals negotiate to finalize the treaty. Any remaining technical and legal issues are resolved at this stage. Then, and only then, the sixth stage is the implementation of the treaty. Long term implementation plans need to be tailored to specific agreements.

All commissions agree that significant progress has been made by the treaty process. The B.C. Treaty Commission process is working. It is fair, equitable and open. No one denies that the negotiations ahead will be tough. There are some very complex issues to be brought to the table. However, it is time that we settled these claims so that all British Columbians, aboriginal and non–aboriginal, can get on with the job of building a prosperous society in that province, a society where all groups can enjoy the wealth of resources the province can offer. It will benefit all British Columbians.

It is time to get on with the job. It is not a time for fearmongering. It is a time for fairness and certainty. It is certainly not a time for delaying while we wait for a provincial election which would create a precedent and would be very much uncalled for.

I do not represent aboriginal people who have claims that are hundreds of years old. I represent over 2,000 aboriginal people. Their treaty was signed in 1923, in modern times. Yesterday I attended a funeral in my riding of the first woman Indian chief in Canada. She died at the age of 73. In 1953, when she first became a chief, she was a young woman and a young mother who was concerned about these issues. When she died, only this week, she was still concerned about them. Her mother died two years ago at the age of 103. Throughout her life she was active in trying to resolve the problems of the First Nations in my riding.

The native people would like to negotiate. I think all Canadians would like to negotiate. Every time we have a standoff all Canadians suffer. I am very concerned that the member would bring forward such a motion today.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it might be helpful if the member were to spend a little time in British Columbia rather than in Peterborough. Then he might have some comprehension of what is the content of the speech from the Department of Indian Affairs that he just read to us. He clearly has no concept of what is going on in British Columbia.

When the member says this is an open process, the people in British Columbia, who are concerned about this, which is probably the majority of British Columbians, would ask: What open process?

I am consistently asked: "Who is negotiating for us? Who are they? How were they selected? Where do they meet? When do they meet? I do now know who they are". More important, I am also asked: "What is their mandate? Who gave them the mandate? How do we even know what they are negotiating on our behalf?"

I am inclined to agree with the member that if we have a problem, which we clearly do in this situation or in any situation, that it is very helpful to have negotiations with people who are sitting down eyeball to eyeball.

However, what we have in my constituency in British Columbia is 3 per cent of the people that are represented by people who are constantly in touch with them, who clearly understand what the mandate is and, more important, who go back to their people to report regularly. They also know that they are going to be subject to a ratification vote at the end of the day. Therefore, they know that they have to negotiate in good faith on behalf of

the people they represent. The same is absolutely not true of the non–aboriginal side.

I ask the member if he would care to come to British Columbia and maybe we could clue him in a little bit.

• (1550)

Mr. Adams: Mr. Speaker, first I would like to say that I have relatives in British Columbia who live in Kamloops and I visit frequently. I know the riding of Prince George—Bulkley Valley well. I regularly visit the city of Vancouver. I have visited the Peace River country. However, I do not pretend to be a resident of British Columbia. I am a member of the Parliament of Canada and I am concerned about all Canadians.

The hon. member asked who was negotiating. It is the duty of members of Parliament to explain these processes. The B.C. Treaty Commission process is a good one. It is transparent. There has been legislation in the House related to it. It is for the Reform members to explain those matters in detail to the people of their ridings.

I would like to read something and members opposite can guess where it comes from. Perhaps this comes from Ontario too. I am proud to be a resident of Ontario, but I try to represent all the people of Canada. The quotation reads: "Statements made in the House of Commons that native people who live in inadequate reserve housing without running water or basic sewage should simply move away are naive and racist in nature. Those uninformed comments made by Reform aboriginal affairs critic Mike Scott show the true character of his party. Reform members have become notorious for making offhanded, uninformed accusations concerning First Nations". That is by David Neale of the Victoria *Times*.

"The Reform Party's campaign to kill comprehensive land claims settlements is characterized by its sheer misinformation, its deliberate confusion of separate processes and its shameless manipulation of media that seem ignorant—"

Mr. Hill (Prince George—Peace River): Mr. Speaker, I rise on a point of order. It is my understanding that we are not to refer to members by their names, even when quoting from a document.

The Speaker: The hon. member is absolutely correct. I would ask the hon. member to wrap up his comments.

Mr. Adams: Mr. Speaker, I apologize to members opposite. They are absolutely right and I apologize for mentioning the Reform member by name.

"The Reform Party's campaign to kill comprehensive land claim settlements is characterized by its sheer misinformation, its deliberate confusion of separate processes and its shameless manipulation of media that seem ignorant of history".

That quote is not from someone outside the province of British Columbia. It was written by Stephen Hume of the Vancouver *Sun* on April 10, 1995.

The Speaker: On debate, the hon. member for Madawaska—Victoria.

Mr. Duncan: Mr. Speaker, I rise on a point of order. I have been looking at my watch and I thought we had at least three minutes left in the 10–minute question and comment period for the hon. member for Peterborough.

The Speaker: I should tell the hon. member it was ten minutes and five minutes. The other ten minutes are going to go to the hon. member whom I have just recognized.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I rise today to speak on this undemocratic motion moved by the hon. member for the Reform Party.

It would seem that the hon. member does not support economic prosperity for British Columbians, as he is suggesting that we delay creating treaties that would remove an obstacle which has hampered economic growth in B.C. for far too long: the uncertainty over ownership of land and resources. That uncertainty has carried a very high price.

In 1990 a Price Waterhouse study asked forestry and mining interests in B.C. about the effects of the uncertainty created by unresolved land claims.

[*Translation*]

The study's findings are eloquent. In these two sectors alone, the study notes a loss of one billion dollars worth of investments: 300 new jobs in jeopardy, 1,500 permanent jobs on hold, and capital losses totalling $125 million due to uncertainty about the legal status of land and resources.

• (1555)

Since then we continue to pay the price of uncertainty, year after year. It is the price we pay for letting the situation deteriorate and for refusing to sit down with our aboriginal partners and discuss rational solutions to the real problems. That is the price the Reform Party would like us to keep paying.

We now have a chance to do something, to create jobs and to stimulate our economic growth. In September, Marlie Beets of the B.C. Council of Forest Industries had this to say: "Our members know that we cannot afford to ignore the issue of treaties. The forestry industry fully supports the efforts being made to resolve these problems, even if it is concerned about what these treaties may contain".

[*English*]

The forestry industry of B.C. understands what is involved. It knows that it cannot function efficiently without clear policies. It knows aboriginal rights must be defined clearly so that everyone knows the rules of the game. It knows that the time has

come to realize the potential of the province and to extend the opportunity for its people. It wants to get on with it.

The proposition is simple. Treaties will provide certainty and create a better climate for investment and economic growth. This is a reality which cannot be denied. A clear signal will be sent: B. C. is open for business.

Treaties will also provide a land base for aboriginal people and with it a foundation on which to build self–sufficient communities. It will allow aboriginal people to become involved in a range of economic activities which in the absence of a land base have been foreclosed to them.

Commercial activities like mining, forestry and tourism become far more possible to be pursued by First Nations. The growth of strong, self–reliant, economically vibrant aboriginal communities strengthen us all because it will bring positive economic spinovers into non–aboriginal communities.

For too long the aboriginal people of B.C. have been denied both their legal rights from the past and their hopes for the future.

[*Translation*]

For too long they have suffered as a result of high rates of unemployment, illiteracy, infant mortality and suicide. For too long we have refused to acknowledge their potential contribution to Canadian society. This is an attitude that cannot be justified, and it must stop.

Once rights and obligations have been clearly defined in treaties, all residents of British Columbia, aboriginal and non–aboriginal, will be able to develop the potential of their province and improve their own circumstances. That is good news for forestry workers and miners.

It means a broader tax base, since injecting settlement funds will stimulate the economy and job creation. It also means a reduction in the social cost of poverty and unemployment in aboriginal communities. It means an end to litigation and costly court proceedings and the beginning of co–operation and negotiation.

These historic problems will not disappear at the wave of a magic wand. As long as they remain unresolved, there will be no investment, and the jobs that could and should be created will remain in limbo.

The vicious circle will continue: uncertainty will lead to a reduction in the number of jobs which in turn will increase social problems.

[*English*]

The cycle of poverty and dependency will continue. These issues simply must be dealt with. We have a choice of how we are going to do it. We can litigate at great expense to the Canadian taxpayer knowing that at the end of this long, drawn out and often bitter process a court is likely to tell us to work out the details ourselves, something very similar to the negotiation process we have now.

• (1600)

Or we could negotiate directly from the outset. Surely it makes good economic sense to avoid costly court battles, which cast each party in the role of antagonist, and approach the issues as partners prepared to give and take in a spirit of trust and mutual respect.

There are real economic benefits in proceeding with treaties in B.C. but at the end of the day the most important benefit will not be felt in terms of dollars and cents. It will be felt in the lives of individuals as they are given the opportunity to contribute further to the greatness of Canada.

The benefits of holding a job cannot always be measured by a point on a graph. Having a job is really about hope. It means having the ability to plan for the future and to realize one's potential as well as to advance one's family. It means having the pride of contributing to the overall health of one's community. Is it better to leave things in a state of confusion or to sit down with our aboriginal colleagues and establish certainty?

Perhaps it is expecting too much to hope the Reform Party's vision of Canada is broad enough to include the first peoples or generous enough to expand the circle of opportunity or far sighted enough to see the wisdom in finally completing this great unfinished business of our history. Surely it is not expecting too much to ask the Reform Party to take a hard headed look at the economics of treaty negotiations and admit that it makes real sense.

Surely even Reformers can see the awful price we are paying for uncertainty. Surely even they can see the benefits of negotiation over litigation. I hope they do see these benefits when it comes time to vote on this motion and that they join us in denouncing this short sighted and meanspirited motion.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, other than the partisan ending to the member's speech virtually everything said is something we subscribe to. As long as the treaties are done right in terms of content, what the member is saying is absolutely correct. We do need to define aboriginal rights and we do need to solve the problems of uncertainty.

There was an earlier reference to the Charlottetown accord. Of any identifiable ethnic or racial group in Canada, once the voting was over on the Charlottetown referendum the natives on reserves more than any other group resoundingly defeated the Charlottetown accord in the referendum. We need to remember that because I do not believe that is in the public consciousness. There are some important reasons why that happened which I am certainly sensitive to. I am not sure everyone in the House is sensitive to those reasons.

There is a 31–member treaty negotiation advisory committee. One of its members was referred to in the previous member's speech, the member from the council of forest industries. Many of the members of that treaty negotiation advisory committee and also some of the members of the regional advisory committees who were referred to by several speakers are the biggest critics of the status quo process. It is important to recognize those items.

• (1605)

Mrs. Ringuette–Maltais: Mr. Speaker, I did not hear a question per se. I think researchers from the hon. member's office are providing some of the things he wants to put on the record.

With regard to the Charlottetown accord, the population of British Columbia also rejected the Charlottetown accord. The hon. member should keep his records straight. I want to make sure there is no bias in what is put into the record.

I find this motion somewhat petty. I cannot believe that everywhere we go, in every committee of the House, Reform Party members always take on democracy, democratic rights. Yet they are actually saying in this motion that democracy in B.C. is not alive and well because there is a government that should be calling an election in one year which was not elected in a democratic process and cannot assure and assume responsibility for all its citizens. That is what the motion is implying, that it does not have the mandate and the responsibility and that it was not elected in a democracy.

I do not know if they read what they wrote in this motion. It is an absolute bias. As far as I am concerned it destroys their entire argument and excuse which they advocate in the House and in every committee to put forward their petty politics.

The hon. member who put forth this motion states: "The aim of these changes would be to give aboriginals more responsibility for their well–being, the tools to discharge that responsibility and more accountability for their result". That is from a press release on Reform policy for aboriginal equality and accountability.

I am sorry, but we are dealing here with a motion coming from a member who says one thing one day and another thing another day, just like his leader.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, last night was an infamous time in Canadian history. The opposition parties in the Ontario legislature conducted an illegal occupation and sit–in of the Ontario chamber. This was unconscionable and I plead with them to consider the example they have set.

I can understand their frustration because being an opposition member facing a juggernaut of a majority government can be disappointing, frustrating and disillusioning.

The Reform Party faced that shortsighted stupidity and abuse of power exercised by the federal Liberal government when it used a pile–driver to ram through the Yukon Indian land claims and self–government in June 1994.

Believe it or not, we now have government in Canada based on race. The federal government has turned over massive sections of law making in Yukon to aboriginal people. Let me put this in the most transparent terms. Aboriginal persons can make certain laws that directly impact non–aboriginal persons, and non–aboriginal persons have no democratic recourse.

• (1610)

In South Africa this was called apartheid when the majority of blacks were dictated to by the minority of whites. What do we call it in Canada when the majority of non–aboriginals are dictated to by the aboriginals?

This is going on in Yukon. The stupidity of the government's ham fisted legislation is that it has constitutionally removed freedoms from aboriginal people in Yukon as well. In part of Canada's Constitution the federal government has delegated law making to certain Indian nations but in turn those nations do not have to construct those laws through a democratic process. Those nations may delegate law making to an individual in the Indian nation.

Both aboriginal and non–aboriginal residents in Yukon can now become subject to certain laws with absolutely no recourse, no democracy. Dictatorship for Canadians enshrined in the Canadian Constitution by the government? It is unbelievable.

This is why the Reform Party has raised the issue of the B.C. treaty negotiations today. B.C. residents, indeed all Canadian citizens, are about to have an agreement in principle that has been negotiated behind closed doors which will be rammed down their throats. It will be an agreement in principle that will be the starting point for a constitutionalized treaty. If there was ever a time to protest, to obstruct, to go to the extreme, this is it.

Unlike the financially driven issues in Ontario that are very serious, the issue of the B.C. treaty process is that the B.C. treaty and the Nisga'a agreement in principle will explicitly impact Canadians' democratic freedoms. The process and treaty will permanently, constitutionally, enshrine some personal rights based on race.

If we do not respect democratic process and combine our protests within the democratic process, we have destroyed democracy. I have asked the MPPs who occupied the Ontario legislature, what is the difference between the 19 aboriginal protesters who occupied a Toronto Revenue Canada office last year or the occupiers at Ipperwash? What is the difference between them and the occupiers of the Ontario legislature? A lot. If the members of the provincial parliament, the law makers, will not respect the law how can they expect ordinary citizens to respect the law? Without respect we have anarchy.

However, this is not a one–sided issue. If the government at Queen's Park or here in Ottawa is bull headed, provocative, uncaring and insensitive to concerns of citizens, as expressed by members of the opposition, it shares an important part of the responsibility for lawless actions.

The Liberals here have such a responsibility. They have a responsibility to really listen and respond. How can I describe my rage that they used a pile–driver to smash personal rights and freedoms of Canadians in Yukon? The Liberals would not entertain a Reform Party motion that would have subjected the attack on personal rights and freedoms of Yukon residents to the Canadian charter of rights.

Reform Party members used every parliamentary tactic in June 1994 available to them to slow the race based, democracy bashing Yukon acts. It became a choice: break the law ourselves to stop the Liberals' stupidity or work within the system and respect this institution in spite of the Liberals' bullheaded stupidity.

For Yukon it is too late but for B.C. it is not. I plead with the Liberals. Listen, learn and recognize that the Liberal process is not only out of touch with reality but, most important, will lead to permanent civil disobedience and racial gridlock.

In my office in Cranbrook I have been approached by aboriginal people. Members of the Ktunaxa nation tell me their negotiators are out of touch with them. These Indian people resent and reject being left on the outside of the negotiating process.

At least these constituents who represent about 3 per cent of the population in Kootenay East will have a chance to ratify a negotiated agreement. They will get one person, one vote, but what about the other 97 per cent? Approximately 70,000 people who will have to live with the treaty will get two persons, their MP and MLA, with two votes. Their MP with one vote in the House will be pitted against members like the member for Peterborough and members from Quebec, Prince Edward Island, Newfoundland, Ontario: one of 295 votes to represent the interests of my 70,000 people.

Do we have democracy when an aboriginal gets a vote but a non–aboriginal does not? I think not.

• (1615)

I suggest the aboriginal negotiators who may presently be considered to be out of touch by their aboriginal constituents are negotiating the aboriginal position with popular ratification of the final agreement in mind. They clearly understand their negotiations will be rejected if they do not reflect the wishes of their constituents.

It is not just an issue of fairness. It is more than enforcing the principle of equality of all Canadians. It is about a workable process that will lead to a real solution to a real problem. If we do not get it right, we will end up with civil disobedience, unrest, racial friction and a giant, tangled, constitutionalized mess.

I am asked constantly as to who is negotiating for the non–aboriginal citizen. People come in to my office and want to know literally who is negotiating for them. They want to know who the negotiators are, how they are selected, where they meet, when do they meet and more important, what their mandate is and who gave it to them. A constituent asked me: "How will they know what I will accept? Why do I not have the same rights as the aboriginal with the ratification vote?" People tell me: "If I have not been part of the process, if my interests have not been explicitly taken into account, I have no interest in the agreement".

Let me clearly explain what this means to the Indian affairs minister and the Liberal backbenchers who are forced to support him. Let me also explain this to the provincial negotiators. If the negotiators knew during the treaty negotiations that their process was going to be subject to popular ratification, they would negotiate in a substantially different way. They would know that their bottom line, that the results of the treaty process negotiations would have to be accepted, in my case by 97 per cent of Kootenay East residents.

Impossible, the Liberals say: "We would never get an agreement". Well that is precisely the problem. Contrary to the Liberals' old party assumptions, Canadians will not have government imposed top down solutions. Let me repeat that Canadians clearly have shown in everything from the Charlottetown accord to the cablevision fee increase kerfuffle last year, that they would not accept those increases and they would not accept the Charlottetown accord. They will not have their future dictated by Ottawa politicians. There we have it.

When talking about the B.C. treaty process of the Nisga'a agreement the facts are the same. If Canadians are not part of the solution, they will be part of the problem and with a vengeance.

The difference between the problems today and tomorrow are two. First, non–aboriginal residents of B.C. are scared, anxious and concerned. They are delaying investment decisions by the truckload. Their apprehension is magnified by the unknown. Tomorrow they will be resentful, surly and unco–operative, with their apprehension replaced by lack of co–operation with the government and a bad attitude toward the people who have special position and privilege based on their race. Second, today we have some flexibility. Tomorrow the decisions will be etched in granite because they will be constitutionalized for all time.

Do we get the picture? We permanently remove one serious problem and immediately replace it with a problem 20 times worse.

We will use the finance minister's comment from question period today. We will use his example of an incapacitated driver racing down a hill. The Reform motion we have put forward would slow down the driver, bring him to a stop and hopefully sober him up. The Liberals will leave the driver racing down the hill until he crashes.

Will the Liberals listen? Will the B.C. NDP government which is on its way out take heed? I doubt it. And more the shame because they are putting the same unconscionable pressure on the Reform Party that the Ontario government put on its opposition. The federal Liberals have a responsibility to be reasonable and they are blowing it.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I listened with interest and I am sorry that the member did not have an opportunity to speak very much with regard to the motion. He may have spent a little more time on the partisan aspects of political life.

The member started off in his debate referring to the situation in the Ontario provincial legislature. He chastises the opposition members for taking charge of a situation and in fact exercising their right to let their views be known in that elected body.

• (1620)

The member then went on to describe a situation which occurred last June in the aboriginal affairs committee. He said that a piece of legislation had been rammed through the committee. The hon. member will well know that the meeting continued all through the night until six o'clock the next morning. I was at the meeting from about midnight until 6 a.m. filling in for some of my colleagues.

Members of the Reform Party were conducting a filibuster. The filibuster was basically to ask nuisance and nonsense questions on virtually every word in the bill. They kept the entire staff associated with that committee and members of Parliament, about 40 people, tied up in a stuffy room while they asked nuisance questions. It is precisely the same situation. The Reform Party was exercising its democratic right. I do not for one moment believe there was anything wrong with what the Reform members did. They were doing it because it is part of the democratic process.

The hon. member also referred to his frustration. I am sorry the member is frustrated with life in a House which has a majority government. However, we must respect the democratic process. The fact that the government has a majority is a reflection of the operation of the democratic process.

The hon. member well knows that when a government is elected it has a platform which reflects the commitments the party has made to the people of Canada. "If you elect us, these are the things we will do". When the party platform is put into legislation, it is incumbent on the members elected to the governing party to follow the promises they have made.

Does the hon. member not believe that supporting legislation which reflects the platform of a party during an election is respecting the democratic process?

Mr. Abbott: Mr. Speaker, I agree with the hon. member. It is only logical and rational that a party when it forms a majority government would be committed to following through on its election platform. We have no disagreement with that.

However, we have a very fundamental difference of opinion with respect to the fact that the Liberal government has used closure more times than the Brian Mulroney government even thought about. It is ramming through distinct society. It is ramming through veto. It rammed through the Indian land claims. I suggest that a majority government not only has a right to do what it wants to do, but it has a responsibility to opposition members who are expressing the deep, heartfelt concerns of their constituents. Those concerns are falling on deaf ears because of the unslakeable thirst for power of the government.

There is a tremendous amount of fear, anxiety and concern in British Columbia that the cabinet has such a weak representation in British Columbia. There is a tremendous amount of silence on the part of federal Liberals elected in British Columbia. The government is running roughshod with its legislation.

The hon. member referred to the filibuster in committee. He is right; it is legal. I submit to him that the process which the MPPs undertook in the Ontario legislature because they were so desperate goes far beyond the whole process of a filibuster.

What I am saying is that we have reached a point of very acute concern about the heavy handedness of the Liberal Party and in particular, the NDP government in B.C. which is currently on its way out. We are concerned that we are going to have something imposed on the people of British Columbia by people who are fundamentally out of touch with reality.

• (1625)

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I will keep an eye on the clock and I hope you will help me out because I am not sure how this will go.

I rise today to speak in opposition to Bill C–107, an act to establish the British Columbia Treaty Commission and to speak in favour of our motion to urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last years of the current provincial government's mandate.

In fact, this bill does not establish the treaty commission, it continues it and legalizes it. It is just what we need, another legally entrenched layer of bureaucracy. It is another group of appointees with their own staff to be paid for by the people of

Canada. I oppose the establishment of this treaty commission in British Columbia because it is simply not necessary.

In British Columbia we have no treaties. We have a reserve system. The legal entrenchment of this commission prejudges the outcome of the land claims negotiations which are presently taking place in British Columbia.

I can tell you that the people of British Columbia are very concerned about this treaty negotiation process. Just a few days ago I hosted in my riding of Mission—Coquitlam an information evening on aboriginal issues which was attended by over 200 people. They are very concerned that fishing rights and lumbering rights will be bargained away as part of the settlement process. They also believe they should be a part of any settlement process.

Mel Smith, the well known, well respected author of *Our Home or Native Land?* attended the meeting. He stated that British Columbia has already done its duty to its native people by setting up more than 1,600 reserves. He argues that by doing this British Columbia has discharged any duty it owed to the aboriginal people. As well, the government could compensate the native people with a one time cash payment for loss of hunting, trapping and gathering rights over the lands.

It is our intention to ensure that Canada's native people become completely self–reliant. We would like to preside over the dismantling of the department of Indian affairs, thus allowing aboriginal people to become self–sufficient. This should be the goal for all of us in this House. Yet what do we hear? A lot of name calling from the other side. To become self–sufficient, the aboriginal people do not need a treaty commission.

It is our belief that we should get rid of the Indian Act, giving aboriginals the same right to property ownership as other citizens. Aboriginals should be subject to the same constitutional, federal and provincial laws as the rest of Canadians. They should be allowed to establish municipal style governments and benefit from the same programs as the rest of Canadians.

There is no need for this bill, but there is a need to address aboriginal issues in a timely fashion. I would like to remind members that we are not suggesting we do away with any type of negotiation. Having said this, I wish to draw the attention of the House to certain shortcomings in the bill.

The interpretation section contains a definition of First Nations. They are described as aboriginal people within their traditional territory in British Columbia. The definition begs the question of entitlement to a land base. It can be argued that by the use of the definition the aboriginal people are shown to have a prima facie case of a land claims settlement.

Again, clause 5 does the same thing. It states that the purpose of the commission is to facilitate in British Columbia the negotiation of treaties. In other words, establish this commission and we are bound to have the traditions negotiated, whether there is an entitlement or not. The process has been established.

Clause 5 obligates the commission to allocate funds to allow First Nations to participate in the process. This will be expensive. But in addition to it being expensive, it is also exclusionary.

Funding is not provided for third parties, only the aboriginal people. What about those who oppose the giveaway of British Columbia lands? I guess they will have to finance these interventions themselves. I hope they are able to. It is my understanding that in the borrowing of funds to negotiate there will be an 80:20 split. In that case, 80 per cent will be repayable; 20 per cent will be contributed by whom, the federal government, the provincial government, what part for each one?

Clause 7 of the bill establishes how the commission is to be appointed. The federal government and the B.C. government each get to appoint commissions. I do not see anyone who will simply represent the people of Canada. Are they not important? Are the members opposite saying they do not count? These appointments, all appointments to the Commission, should be subject to the approval of this House.

Clause 18 allows the commission to make necessary bylaws. We are giving the commission power to establish its own rules of procedure. At the very least, these bylaws should be tabled in this House.

• (1630)

Clause 22, the clause which perhaps bothers me more than any other, states that the parties can amend the agreement at any time. This is the British Columbia Treaty Commission agreement which underlies this act. It is beyond me how the bill can allow amendments to the agreement without references to Parliament.

In my last householder I asked the following question: "Do you believe that all Canadians should have equal rights and responsibilities with no special status based on racial or ethnic origin?" Ninety–one per cent answered yes. However, in addition to answering many wrote comments, some of which I should like to share. I have so many comments that I cannot share them all, but I will share some of them.

I have not done anything to the comments. I have not changed their wording. I have not corrected grammar. I have not done anything to them. These are some of the things the residents of my riding in British Columbia are saying: "Anyone born in Canada should have the same rights and be governed by the same laws. This is not true now".

"We all have our own ethnic upbringings but we do not expect to be treated differently from others. I believe that everyone regardless of race should work and pay for their property".

"Governments should put a stop to all the Indian roadblocks. I do not feel the Indian population should have special rights, especially Indians who are abusing their position and rights". There might be something there with regard to fishing rights. There has been tremendous abuse of fishing rights in British Columbia.

"We are all Canadians. We should have the same rights and laws. Practices such as giving natives the right to fish any time for their food as well as to sell those fish is making racial problems". They are. That is a truth. I do not want to sit in the House and be condemned and called names by members opposite for saying the truth. I am getting very tired of it.

"Natives should not get tax free anything. They should work like everyone else. We are suggesting that native people be given a fair chance to stand on their own two feet. Wouldn't you suggest that is the right thing to do?"

Regarding self–government, the Indian Act discriminates against aboriginal people by setting them apart from other Canadians. That is what Reform believes. I do not see how any member in the House could disagree with that. Most native people want the same rights, freedoms, responsibilities and protections of other Canadians. The Indian Act stifles its subjects from having a democratic voice in their own affairs and from having accountability in their own officials.

The inherent right to self–government is an interesting phrase. What does it mean? When Reform MPs rightly ask what is meant by self–government, the previous speaker from Peterborough attacks Reformers for wanting to know the answer. Can we imagine anyone going into negotiations without knowing what all parties mean by the terminology that is being discussed? It is absolutely ridiculous. Instead of the member for Peterborough admitting the common sense of Reform in asking this question, he attacks Reform MPs for asking it.

I have been watching government members in the House for some time now. I wonder what constantly drives them to put down other elected members of Parliament. Is it because they have no answers? They started this terrible debt that is climbing up and up and up. We are trying to deal with it today and they do not have the answers. Are they trying to take the pressure off themselves? Is it because to attack means one does not have to deal with the issues?

The member for Madawaska—Victoria called us meanspirited. She said: "What about democratic rights? Reformers are always on about democratic rights". Yes, we are. We are discussing the democratic rights of all British Columbians and of all other Canadians. The treaty process does not involve a few people. It involves all Canadians. It is time we started to be honest.

The department of Indian affairs has not worked. Can anyone say it has worked? This process which has been encouraged by this government and by past Liberal governments has created a group of Canadians who are dependent on the Canadian government.

Past Canadian governments have created an institutionalized welfare state for native people. This is not kindness. This is cruelty. I wonder how many times we have to say that. It is not the Reformers who are being cruel. The Reformers are saying we should stop all this now, help people, deal with the issues, deal with reality and stop calling names because that does not get anybody anywhere. The House is far above that sort of presentation. It really distresses me every time I hear it.

• (1635)

I spent many years teaching students. I always taught them that in debate, if they do not have something to say, if they cannot back it up or say it in a proper manner, they should not bother saying it at all.

I watch repeatedly in the House people tearing at each other. I would rather hear facts, I would rather hear arguments that are presented properly. I really am discouraged by it.

This morning the Minister of Indian Affairs and Northern Development directed most of his remarks to the right of Reform MPs to raise this issue in the House. Have I missed something here? Are we not all elected equally? How dare anybody question the right of Reform MPs to raise this issue in the House? That is absolutely disgusting.

He proceeded to describe Reformers as aboriginal bashers because we were making him uncomfortable; that is all I can suggest. I guess it is the old story: the best defence is an offence. I have often heard the word racist. It disgusts me too. If members take the time to look it up in the dictionary they will see that it means giving special priorities to a certain group. Reformers repeatedly say that we must all be equal. If we are all equal that is not racist. Some members should start telling the truth in the House. The House is far above the petty squabbling I witness day after day.

Native people soundly defeated the Meech Lake and Charlottetown accords. What does that say to members of the House? It was not suitable to them. Distinct society, as presented, was not suitable to them.

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I would like to correct a few points.

We passed Bill C–107 regarding the B.C. Treaty Commission. The B.C. Treaty Commission is formed by five people. One is appointed by the governor. One is appointed by the lieutenant governor. Two are appointed by the summit. Then the chairperson is appointed by the three parties I just mentioned.

Truth is always a question of perception. Many times I am very disturbed by the truth the Reform Party raises. I suppose we are not on the same wave length and that is why we are on opposing sides of the House.

I agree to some extent with the member. I am quite distraught most of the time by what is going on in the House and by the lack of kindness we see here.

As for the aboriginal people, it is true we should all be equal. However aboriginal people have been in distress for too long. They are in a situation where they need help. We must start on an equal basis in order to be equal. We have to help them first, put them on an equal basis, and then we can all be equal.

I have two questions for my colleague. She mentioned that in reply to her householder 91 per cent of the people said that they wanted equality. How many people answered her householder? Whenever I ask questions in my householder I always have a very low response.

Does she feel that the comments of her colleague from Kootenay West made on the Liberal caucus of British Columbia were actually kind comments? I take exception to what he said. We have been working very well in spite of the fact that we are so few. We have been able to achieve quite a few things.

Mrs. Jennings: Mr. Speaker, I am certainly aware that Bill C–107 was passed. I did not get a chance to speak on it and I very much wanted to. With 52 MPs on the Reform side, many of us do not get to speak on the issues we would like to speak on. Since it impacts directly on this I certainly wanted an opportunity to do so.

No one represents the people. I must insist that all the names the hon. member mentioned were appointed, as she said, but who is representing the people of British Columbia? Nobody is.

• (1640)

Aboriginal people have been in distress for too long. Those who know their Canadian history will realize that not just the aboriginal people were in distress in the history of the country. They should know about the Acadians who were torn asunder, who lost family members, who lost their lands, who were sent all over the world and had nothing. Nobody paid them anything. No one re–established them. Nobody did anything. They were good, worthwhile people.

We also had the Loyalists who were driven out of the United States to Canada. They had nothing. They had to leave. What did we do when the Loyalists came to Canada? We did not give them anything to set up. They had to do it on their own. Today they are better off having done that. It makes their lives a lot easier. Too bad we did not do that with the native people.

What about Japanese Canadians? We just took and took. With these examples I am trying to say to the hon. member that we have made mistakes. We admit we have made mistakes, but is it not time to start on an equal basis for everyone? I strongly suggest we should.

Regarding my householders, I keep track and I have been running at a 2 per cent to 6 per cent return. I have about 58,000 in my riding. We do not have them all in at this time because it only went out and we are waiting. We have had over 1,500 returned, so it is 91 per cent of the 1,500. That is the best I can tell the member right now.

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 Okanagan—Similkameen—Merritt—Department of National Defence; the hon. member for Mackenzie—Canadian Wheat Board; the hon. member for The Battlefords—Meadow Lake—Environmental Protection Act—the hon. member for Vancouver Quadra—Vietnam; the hon. member for Saint John—National Defence.

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, I am pleased to rise today to respond to the motion by the hon. member for North Island—Powell River.

At the outset I must say I find the motion puzzling. No doubt the hon. member means well, but I do not think he has thought through the consequences of the motion. If adopted, parliamentary democracy in Canada will slow down to a crawl. The hon. member asks us to forgo signing land claim agreements because the people of British Columbia may be going to the polls soon. His motion refers to the last year of the current provincial government mandate.

I wonder how he expects any business to get done in a federal state, let alone one with ten provinces and two territorial governments, and soon to be three. In any given year at least one of these governments may be facing an election. On average two and one–half of them will be facing an election every year.

It would seem the hon. member wants to paralyse the decision making process. The convention is that elections are held every four or five years. How do we know which it will be? Should we begin clamping down on a government's right to sign agreements during the third year or the fourth years of its term?

What about the case of minority governments? The pattern in Canada seems to be that minority governments call an election after two years in office. This is not a constitutional principle. It is not even a convention. It is simply a reality of minority government. If we were apply the hon. member's motion in these situations, we would not sign any agreements with a minority government that had been in office for more than one year.

We can imagine the results. A new minority government is sworn in. The new ministry has a few months to become accustomed to power and to learn something about the ropes. Just as it is hitting stride and beginning to get some things accomplished, other governments in the country say: "Sorry, we can't sign any agreements with you. We have to respect the views of your electorate who may be going to the polls soon. They may want to change something".

Yet I hear over and over again from the members of the Reform Party that government must pay attention to the grassroots. The last speaker from Mission—Coquitlam made much of this point. What is their idea of paying attention to the grassroots? The member for Mission—Coquitlam said that we should read the answers to the questions she put in householder and that is it.

• (1645)

It is sort of like following the opinion polls, setting up hotlines so that people can phone in their views. It is town hall meetings and radio talk shows. I have nothing against any of these practices. I do them myself. I commend any effort to encourage Canadians to express their views. We have to understand one thing: taking an opinion poll or gauging the views of the people who phone in to a hotline or having a show of hands at a town hall meeting is not the same as representing the grassroots. The important word is representing.

This is a representative government. We are all representatives of the people of this country. The way I try to do it, and I suggest most of us do, is to get involved, to learn, to listen. We go to committee meetings, we question witnesses and we study and debate those issues which are of particular concern or about which we have some particular expertise.

When I ran in my riding to represent the people, I told them what I stood for, what the party was going to do and what the issues were with which the government would deal. We were fortunate enough to receive a majority of the votes in this country and represent the majority of the seats. Therefore, the Liberal Party in this House is, I submit, the only truly representative body here. That seems to be self–evident. We come from all across the country. We represent every ethnic group in the country, including the aboriginal people. Therefore, we try to represent what the majority of Canadians think and feel about this country.

The grassroots is largely made up of people who do not phone in to hotline shows. They have little inclination to talk to Raife Mair on the radio. They do not go to town hall meetings. They might not have a strong opinion one way or another on a particular issue because they do not know enough about it, that is until they happen to be asked their opinion by a pollster. If the wrong question is asked, the wrong answer will be given.

Certainly most people believe all Canadians should have the same rights. The member for Mission—Coquitlam said that the Department of Indian Affairs has not worked. By today's standards and what we know now, it was an ill–conceived plan. It was a way of integrating another culture and people into ours. We have learned a lot since those days. I would agree very much with my colleague that we should do all we can over time to get rid of the paternalistic attitude of the Indian affairs department.

That does not mean that we can then say that all of us should have the same rights when we are not starting from the same place. If we do not understand that the Indian idea of property is different from ours, that it is culturally different and spiritually different, then we are never going to solve the problem because they will never agree.

Let us hear no more of the self–righteousness of the members of the Reform Party with their claims that they speak for the people. People elected the hon. member from North Island—Powell River on October 25, 1993 just as they elected me. They elected him to represent them. We both speak for the people in our ridings and people will have an opportunity to judge our performance in the next federal election.

The people of British Columbia elected the government of British Columbia and they will have their chance to render their verdict on that government in the coming months. In the meantime, we will continue with the job of governing the country and we have to carry on with the job of negotiating comprehensive claims with the First Nations of British Columbia. They have waited for 200 years to reach these agreements. Most have never had the opportunity to sign an agreement outlining their rights.

This is an historic anomaly in Canada. First Nations in all other provinces and in the territories have treaties, principally because most of the land unsettled is owned by the Queen in right of Canada in other provinces and territories.

• (1650)

The only treaties signed exclusively in British Columbia were concluded before the province joined Confederation in 1871. When the province joined Confederation, all the unclaimed land, except where the Indians had been pushed into reserves, was held by the Queen in right of British Columbia, which is not the same situation across the rest of the country.

This is where the grassroots beyond the aboriginal community can have their say. They are not left out of the process. Neither the Government of Canada nor the Government of British Columbia is interested, hopefully, in negotiating treaties that would ignore the interests of non–aboriginal British Columbians, any more than it is going to ignore the justifiable interests of the aboriginal people.

We do want to get on with the process. We want to remove the uncertainty. We cannot let the process become derailed because this government or that one nears the end of its mandate.

The negotiation of a comprehensive claim is a long and painstaking process. That is how it should be. That is how it has been. That is how it will be. These are very important negotiations. They define how people will function over the long term. They set the parameters for how aboriginal people and their institutions will relate to the federal and provincial governments.

The simplistic ideas we have heard so far this afternoon from Reform Party members seem to ignore completely that the Indian people are a people. They are protected, as we all are, under the Constitution. They have inalienable rights to self–government and they have inherent rights in this land. Those are the things we have to define.

After waiting for more than a century, the First Nations of British Columbia know the value of patience in making sure that the negotiations are done right. Perhaps a little of that patience would not hurt the members down the line.

At the same time, we should not set up artificial barriers by tying the hands of legislators that must pass the legislation to bring the treaties into effect. I urge the House to vote against this motion.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, this motion has been misread. It depends where you are coming from sometimes how you choose to read something. Nowhere in this motion does the Reform Party suggest that governments cannot sign agreements in the last year of their mandate.

We are saying that when there is a significant, a major, a costly and a divisive issue, in the same way that the Mulroney Tories in the dying days of their government, low in the polls, signed the EH–101 and the Pearson deals, this is a divisive issue in British Columbia. It is precedent setting and worth billions of dollars. It is totally inappropriate for the government in the last year of its mandate to sign this treaty. In actuality the election is most likely only months away. It will be in the spring.

I want to make it perfectly clear that this is a basic assumption that was promoted by the last speaker and it is incorrect. Nowhere are we saying that, nor is that our intent.

There was a suggestion by the member that only a Liberal government is qualified to govern and only a Liberal government is qualified to judge the issues. I find that very difficult, particularly in the context of British Columbia. That is a stretch of unimaginable proportions.

The member made some statements about lands and about treaties. The significant thing in British Columbia is that British Columbia spent many years after Confederation contributing lands to the federal government to reserve for native people. That was a commitment made at the time of Confederation under the Act of Union. It was an unfulfilled commitment up until 1924. In 1924 the federal government, by order in council, agreed that the province of British Columbia had fulfilled its obligations.

• (1655)

British Columbia has two–thirds of all the reserves in Canada. About 18 per cent of registered Indian people in Canada live in British Columbia. Those reserves contain, within a provincial context, 14 per cent of all lands reserved for Indians. This is not insignificant. It is the crux of a very large issue. There is no legal imperative to negotiate treaties.

We are not saying that treaties should not be negotiated. We are also interested in removing the uncertainty from the landscape and from this whole issue. This is an appropriate way to do it. However, right now is not the time to conclude a final agreement.

Mr. Finlay: Mr. Speaker, I appreciate the comments of the hon. member for North Island—Powell River. I listened to his speech, as I have listened to them all. I suppose one might answer a question with another question.

I suggest, in the scheme of things, that two years is scarcely sufficient time for the B.C. Treaty Commission to prove its worth, as the member knows, as he listened as I did to the current head of that commission. Two years ago the commission started from scratch to set up a service organization to get the board together and write some policies. Since it only began in 1993 and we are in 1995, it has had scarcely two years which was not to negotiate treaties. It was, as my friend knows, to start the business, develop the expertise, set up the office and interest the First Nations of B.C. in coming forward to negotiate. Since a little more than 70 per cent of the natives in B.C. are involved in the process now, it seems to me we should give them a little time.

I appreciate the member filling me in with respect to the order in council in 1924. I am little confused about his numbers because I believe he said that B.C. had 17 per cent of all reserves in Canada and then went on to use the figure of 14 per cent. I want to ask him about that.

I also want to ask the member whether the election in B.C. is a foregone conclusion. I thought he might bring up the helicopters and the Pearson airport deal, but if he casts his mind back he will realize that the Pearson airport deal was signed in the midst of an election which the government was losing very badly. The helicopter deal was a statement in the red book and in the platform of the Liberal Party before it was signed. Again, it was within months of the election. I might remind the member that

this House had not sat effectively for about a year and a half before that election.

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, today I would like to speak to this shortsighted motion moved by the hon. member from the Reform Party.

This undemocratic motion suggests that the views of British Columbians cannot and are not being respected in the treaty process. I want to correct this ill–informed impression by providing the hon. member and his equally ill–informed colleagues with some facts.

Before doing that, I would like to take exception to something said by my colleague from Mission—Coquitlam. I know Canadian history and I strongly believe that the aboriginals, because of their culture, had much more difficulty becoming part of our society and they still do.

Mr. Hermanson: Did you write that?

Mrs. Terrana: Yes, I wrote that. They have gone some way but they have to go further to be equal. Perhaps my choice of words is incorrect. My hon. colleagues have received a heap of factual information on the treaty process in British Columbia, but they seem bent on seeing things that are not there.

• (1700)

If they are involved in some science fiction movie, we are not in Hollywood, and let us get back to reality. We cannot stop all negotiations for almost one year. What for? Do we want to fool the First Nations once again? What would we accomplish? The treaty negotiation process is well under way.

Around ten teams are now at the framework step which is the fourth step of the process. We are all anxious to see the conclusion of these negotiations. It is important for all of us because the uncertainty has been too severe for years and has caused real hardship in British Columbia.

In B.C. the governments have set up structures to hear, discuss and solicit the advice of province wide interests. The Reform Party seems to ignore that advice is being sought. It wants to perpetuate the fear and concern which we all know exists. The Reform Party needs to understand that debate and discussion can take place without some of the hyperbole and rhetoric easily associated with treaty negotiations.

Let me talk about the consultations. In mid–1993 the federal and provincial governments formally established an advisory committee to advise ministers and senior officials on province wide treaty issues. The treaty negotiation advisory committee is made up of representatives from 31 organizations in British Columbia.

Among those organizations are four fishing industry representatives, five labour union representatives, the B.C. Wildlife Federation, guides and outfitters, the B.C. Council of Forestry, the B.C. Trappers Association, outdoor recreational interests, the B.C. Cattlemen's Association and others.

More important, the members come from throughout British Columbia. They are not all from Vancouver. They come from Smithers, Terrace, Kamloops, Quesnel, Prince Rupert and Vancouver Island. Each brings his or her organizational perspective but also the sense of how their neighbours and communities are reacting to the treaty negotiation process.

The objective of the treaty negotiation advisory committee, TNAC, is to ensure that the interests of the member organizations are understood and taken into account in the negotiation of modern day treaties and to contribute to treaty agreements with aboriginal people which are workable and lasting and have the understanding and support of British Columbians.

Those are high but necessary objectives. Governments are committed to not just hearing and understanding their advice but taking it into account when negotiating.

The federal government not only wants a means by which negotiations can be effectively conducted but also must seek effective and efficient advice from third parties whose interests might be affected by treaty settlement.

TNAC is structured to enable all members to know as much about the issues that could be negotiated and to notify governments of potential problems or concerns.

My colleague, the Minister of Indian Affairs and Northern Development, has attended three of TNAC's bi–monthly meetings. To ensure he maintains a direct relationship to the committee, I serve as the minister's representative to the committee. We are as a government directly and closely involved in the discussion and advice from the TNAC table.

We are all working together, trying to come to an agreement we can all live with. At times it is difficult but with everybody's goodwill we will get there and solve a far too longstanding discrimination.

Because of TNAC things are changing every time we meet. We are listening. It is not an easy process but we are slowly getting there and learning to understand each other. Now we all recognize that 31 members is a large committee and that some issues require more specific discussion. Hence five sectoral committees were established. These committees meet monthly and are divided into lands and forests, fisheries, wildlife, governance and energy, mines and petroleum resources. Recently the energy mines committee folded its work into the governance committee.

An important step in building our understanding of third party interests was the development of interest papers by each of the

five sectoral committees. I say a step because issues will evolve and be addressed over the course of negotiations.

Knowing the interests of third parties is a gradual approach but it has a clear objective. We want treaties that work and address the interests and needs of all participants in the economy.

• (1705)

In the year and a half I have been on TNAC I saw great improvement in communication and much better understanding of these complicated issues and better co–operation. In addition, the Government of British Columbia with which we are co–operating very well organizes province wide monthly advisory meetings which are reaching all British Columbians. It is a shame that such intolerance is being promoted by some people in B.C. who do not seem to want to solve the problems.

I will identify a few of the interests common to all parties in the process. Certainty and economic stability were essential. Effective local and regional advisory processes were essential. Access to land base for all economic and non–economic interests was essential. The continuation of government authority in areas of resource management was imperative to successfully concluding practical and affordable land claims settlements.

Both governments have taken these interest papers seriously. As we work through the development of specific negotiating mandates the advice TNAC has provided through these papers will be considered, assessed and integrated wherever possible. Through the consultation process and eventually through Parliament the government will be held accountable for how it has used the advice of third parties.

Now the Reform Party seems obsessed by secrecy even when it no longer exists. In September 1994 I presented to TNAC the minister's position on the openness of the consultation process. The minister accepted the concerns of TNAC members that a confidentiality restriction overly limited their ability to seek advice and direction from their colleagues and organizations. Now the media is invited to all our meetings. That restriction has ended. TNAC members can and do fully discuss information provided by governments to TNAC members.

The B.C. Treaty Commission in its annual reports has talked of the need to consult and for people to know what is going on in the treaty process. Perception can become reality. It only takes a willingness to request some written information because material is available.

The chief commissioner, Alec Robertson, came to the September 1995 TNAC meeting to report to members and hear their concerns about the treaty process. That is another important link in the treaty process. At this time 120 bands representing 79 per cent of First Nations are negotiating.

A couple of weeks ago in Sechelt I met the chief of the Sechelt Band who cheerfully told me how well his framework agreement negotiations are going. He expects conclusion by next August. The Sechelt Band was the fourth to sign a framework agreement, the first step of the negotiating process. I was in Sechelt in August for the signing of the agreement and there was a real celebration.

At the centre is the need to negotiate workable, effective and affordable treaties. Unless those treaties are surrounded and supported by a strong consultation process which provides for a frank and open exchange of information, advice and interest, the objective of publicly supported treaties will be difficult to achieve.

Consultation is important. The government takes the views of Canadians seriously. We want to ensure our policies and their implementation are sensitive to the advice and interests of communities, people and interests which might be affected.

We have to work together, all of us, and through dialogue we can eventually give our aboriginal people the tools necessary to become self–sufficient. For too long they were deprived of their integrity and pride. Their children must be strengthened and the people of the new generation must be able to find a place in society that makes them proud of themselves.

I am pleased to have contributed factual information to the debate today. Consultations are essential to ensuring that negotiations can be successfully completed. I hope the opposition will soon join this consultation exercise. We could all come out as winners.

I conclude with a comment I made in the House on October 19:

> This country can simply not afford to lose another generation of aboriginal people able and willing to make a contribution to this country. The young aboriginal people of today can be our professionals, our trades people, our inventors of tomorrow. They represent our past and our future. If we lose them it will be an incredible waste.

I ask hon. members to vote down this unfair motion brought forward by the third party.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I am pleased to have the opportunity to rise today to speak in favour of Reform's motion on the subject of B.C. land claims.

• (1710)

I have been listening to the preprinted, standard run of the mill, say the right thing style of speeches emanating from members opposite. Frankly, anyone in touch with the feelings of B.C. can see straight through the facade of the Liberal political correctness going on.

The hon. members for Vancouver Centre and Vancouver East spouted exactly the line we would expect from old line politicians completely out of touch with reality. I have no doubt whatsoever that the speeches of any other Liberal B.C. members are equally as irrelevant. They must have some sort of big sausage machine upstairs. They turn the handle and crank out all this meaningless stuff.

Last Tuesday in Vancouver radio talk show host Rafe Mair read out the names of the six Liberal MPs from B.C. three times. He emphasized the voters of B.C. have to remember the six names. He said: "Remember exactly how out of touch these people are with the voters of B.C.".

Even the hon. member for Richmond, who had a meeting in his riding last Saturday, supposedly to get the feelings of his constituents on the issues, told his voters he would vote against their wishes and that he put their interests after the Liberal Party of Canada. He insulted his own constituents. This is typical of the attitude we hear on issues such as land claims and unity. If it does not fit into the Liberal Party agenda, Liberal members are not interested in hearing what the people have to say.

We can see the same pattern of debate in the motion before us today. Instead of coming to the House with meaningful speeches about the concerns of British Columbians, government members have read from canned speeches prepared by their political masters who live and work thousands of kilometres away from the problems of the native land claims of B.C.

Some government members whose ridings are also thousands of kilometres away from B.C. have claimed or implied that Reform members are meanspirited or that we have some inappropriate motive for bringing this motion before the House. That is balderdash.

Here is some important news for government members. The Reform member for Beaver River taught and lived on an Indian reservation before she became an MP. The leader of the Reform Party worked for Indian bands as a consultant for a number of years before he was elected. The Reform member for Yorkton—Melville has taught on an Indian reservation. The Indian affairs critic for the Reform Party is married to a status Indian.

Mr. Speaker, anytime you hear someone say we are not in touch with the problems, the injustices or the difficulties with Indian land claims, please tell them they are wrong. We probably have more experience and knowledge about the problems than the entire Liberal caucus, certainly a lot more than the minister.

There are large Indian reservations in my riding. I have lived there since 1979. I have had plenty of opportunity to listen to and understand the concerns of both natives and non–natives in my riding.

A government member earlier today quoted from Mr. Hume, an editorialist with the Vancouver *Sun*. He quoted Mr. Hume as if he were some sort of expert on B.C. opinion. He fell right into a trap. The people of B.C. watching today will laugh. Mr. Hume does not represent the ideas of the people of B.C. Mr. Hume has a special interest of his own and his rantings have no relevance whatsoever to the opinions of B.C. voters. He regularly criticizes Reform, but if his rantings had any relevance we would not have 32 Reform MPs from B.C. He is completely out of touch, just like the government members.

It would be much more productive if government members would abandon their politically correct position, their canned speeches and their closed minds and listened to what we have to say as the true representatives of B.C.

It is not just us; both opposition parties in B.C. have made it clear the whole land claims deal is going off the track as B.C. approaches the next provincial election.

Government members should stop for a moment to say to themselves: "Maybe these B.C. MPs are trying to tell us something important. Maybe I should stop and listen. Maybe I should trust the majority from B.C. telling me there is something wrong here". Maybe they would just say that they should support what we are trying to do here, which is to prevent a terrible disaster from happening if things are rushed through on the eve of a provincial election.

What a treat it would be if government members would abandon their party lines just for one day and help us with a major problem in our province. It is a problem which they cannot understand because they do not have the unique set of circumstances in their province that we are experiencing in B.C.

Allow me to repeat the text of the motion before us today so that members can hear again our deep concern for the problems we have to face. We want the federal government to hold off making any treaties in haste on the eve of the provincial election because there is so much uncertainty surrounding the B.C. government. Everybody has heard of the bingo scandal. The government that is there right now might make some very unwise decisions. Our motion really does not call for too much. It just says:

> That the House urge the government to not enter into any binding trilateral aboriginal treaty or land claim agreements in B.C. in the last year of the current provincial government mandate in order to respect the views of British Columbians on this issue as expressed by both major provincial opposition parties.

That is not too much to ask. I urge hon. members to please support us this one time.

The Acting Speaker (Mr. Kilger): It being 5.15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply pursuant to Standing Order 81.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to order made on Wednesday, December 6, 1995, the recorded division stands deferred until Monday, December 11, 1995 at 6.30 p.m.

SUSPENSION OF SITTING

The Acting Speaker (Mr. Kilger): I wonder if I might ask for some direction from members as to whether the Chair should see the clock as being 5.30 p.m. and pursue private members' hour, or suspend the sitting until 5.30 p.m.

Mr. Szabo: Mr. Speaker, it is my private member's Bill C–337 which is due to come forward at 5.30 p.m., but I see the other speakers who were scheduled to be here for 5.30 p.m. have not yet entered the House. Therefore, I would ask the Chair to please suspend the sitting until 5.30 p.m.

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

Some hon. members: Agreed.

(The sitting of the House was suspended at 5.20 p.m.)

SITTING RESUMED

The House resumed at 5.30 p.m.

The Acting Speaker (Mr. Kilger): 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*]

FOOD AND DRUGS ACT

Mr. Paul Szabo (Mississauga South, Lib.) moved that Bill C–337, an act to amend the Food and Drugs Act (warning on alcoholic beverage containers) be read the second time and referred to a committee.

He said: Mr. Speaker, beverage alcohol is the only consumer product in Canada known to cause harm if misused that does not alert the consumer to this fact.

What are the consequences in Canada due to the misuse of alcohol? Based on the most recent data available from Health Canada, the Canadian Centre on Substance Abuse and from the Addiction Research Foundation, the facts are as follows: 38,261 psychiatric and general hospital admissions; 17,080 cases of alcohol dependence syndrome; 966 cases of toxic poisoning; 19,163 deaths directly or indirectly caused by alcohol misuse; 10 per cent of all neoplasms or tumours; 5 per cent of all diseases of the circulatory system; 15 per cent of all diseases of the respiratory system; 5 per cent of all fetal defects; 45 per cent of all motor vehicle accidents; 48 per cent of all drivers killed in accidents are killed as a result of alcohol consumption, which means that 2,000 have been killed and over 10,000 injured in only one year; 40 per cent of all accidental falls; 30 per cent of accidents due to fire; 30 per cent of all suicides; 60 per cent of all homicides; 50 per cent of incidents of family violence and one in six divorces are all caused by alcohol consumption.

It is indeed tragic that one in ten deaths in Canada, or the deaths of about 19,000 Canadians are from alcohol related causes each year. All of this is due to the irresponsible use of alcoholic beverages. It is costing Canada an estimated $15 billion each year in higher health, social, justice and lost productivity costs, not to mention the devastating impact on family, friends and society as a whole.

I know the effect that this can have on a family. My own father abused alcohol most of his adult life, but we are not afraid of him anymore. Years ago following one of his violent rages, he lost touch with reality and is living out the rest of his life in a home. I have not seen my father for more than 10 years because he no longer would recognize who I was. Today he has a new family: three bottles of vodka, one for each meal.

Bill C–337 seeks to require that containers of all alcoholic beverages sold in Canada display the following message: Consumption of alcoholic beverages impairs a person's ability to operate machinery or an automobile and may cause health problems or cause birth defects during pregnancy.

There are many reasons that we should have health warning labels on alcoholic beverages. The costs and other impacts of the irresponsible use of alcohol are far too great to ignore. At a time when all governments are seeking to reduce the costs of health, social, justice and lost productivity, we need to pursue, and I stress preventive, rather than remedial strategies. We need to let the consumers know that health experts recognize the hazards of alcohol use. We need to inform consumers about the risks of alcohol use.

Failure to label alcohol when medical drugs, foods, cleaners, solvents and other dangerous products all carry health warnings falsely assures consumers that alcoholic beverages are safe at all times. All levels of governments and the alcoholic beverage industry itself have a social, moral and societal responsibility to reduce the misuse of alcohol. Labelling is a reaffirmation in the ability of consumers to make responsible decisions. Labelling

will also promote consumer consistency and indeed will lead to changes in drinking behaviour.

• (1735)

Labels in themselves are an integral part of any comprehensive strategy to promote the responsible use of alcoholic beverages. Any prevention program would be incomplete without these health warnings. In the words of Denny Boyd, columnist for the *Vancouver Sun:* "The intended purpose of warning labels on alcoholic containers is to act as a consumer lighthouse sending a signal of impending danger".

Labels represent an efficient way to continually remind consumers of the need to drink responsibly. As one element of our overall preventive strategy, it could be implemented quickly and efficiently with the potential of reaching all consumers and with a repeated effect.

I will take a moment to talk about fetal alcohol syndrome. All Canadians are well familiar with the problems associated with drinking and driving and that is due to the relentless education of consumers. But there is another problem virtually unknown yet far more tragic. It is called fetal alcohol syndrome, otherwise known as FAS.

In 1992 there was a study called "Fetal Alcohol Syndrome, A Preventable Tragedy" produced by the House of Commons standing committee on health and welfare. The report states:

> There is no question that maternal alcohol consumption can have devastating impacts on the fetus. The basic fact is that when a pregnant woman drinks, her unborn child drinks also; that is, the alcohol in the mother's bloodstream circulates through the placenta into the bloodstream of the fetus. It is possible the blood alcohol level in the fetus will remain at an elevated level for a longer period than that of the mother because the immature fetal liver metabolizes the alcohol more slowly.

Research shows that 5 per cent of all fetal defects are due to alcohol consumption during pregnancy. According to Health Canada, FAS occurs in about one in 500 live births. Therefore, it is in fact more prevalent than Down's Syndrome which occurs in about one in 600 live births. FAS children can reflect the following: severe neurological disorders, social dysfunction, permanent behavioural problems, reduced lifespan, restricted brain development, learning disorders, hyperactivity, mental retardation, pre and post natal growth retardation, speech and vision impairment and physical deformities.

In addition to retarded growth, FAS children usually display facial distortions, including a small head, small close–set eyes, flattened cheekbones, a very thin upper lip and no groove between the upper lip and nose.

FAS is estimated to cost $1.5 million during the lifetime of an FAS child. FAS is estimated to cost Canadians $2.7 billion each year in terms of increased health, special education and social services costs.

There is another aspect to this. Fetal alcohol effects or FAE is very similar to FAS, with the same range of problems in a less severe form, but without the characteristic facial abnormalities. FAE occurs two to three times more frequently than does FAS.

With regard to the alcohol industry, there is little dispute in the medical profession that alcohol consumption during pregnancy can have harmful effects to the fetus. The message they are trying to get out is that there is no recommended safe level of alcohol consumption during pregnancy and that drinking during pregnancy can cause alcohol related birth defects, including FAS and FAE. Both these diseases are totally preventable. I want to repeat that, both FAS and FAE are totally preventable. In the words of the alcohol beverage industry itself, drinking responsibly could mean not drinking at all.

As part of my research, I took the opportunity to speak with representatives of the Association of Canadian Distillers, the Brewers Association of Canada and the Canadian Wine Institute. I found that their position was very close.

They all support and promote responsible use of their products, to their credit. Industry representatives also note that alcohol has been shown to have health benefits in certain circumstances. I was given examples of programs they already fund and which they felt had better value in terms of the effectiveness of warning labels. They express concern however that warning labels may alarm pregnant women who may have consumed some alcohol and that the resulting fear or stress would result in consequential and negative health problems or even miscarriage.

• (1740)

They all held the same view that they did not think that warning labels would work and that there was no evidence that could prove that they would work.

Finally, they all specifically stated that they would not voluntarily comply with any recommendation to have warning labels on the containers of alcoholic beverages. Indeed they said it would have to be legislated.

The industry's position is clear. It fundamentally rests on the argument that health warning labels will not work. I believe this argument is fundamentally flawed primarily because the proof of effectiveness is indeed in the precedents of Canada, the U.S. and the entire world. Warning or caution labels directly on the packaging of products have been used for years for virtually every potentially harmful product except alcoholic beverages. Research and long term monitoring have proven the effective-

ness time and time again. That is why this element of every preventive strategy continues to be used today. Why? Simply because it works.

This is the common sense and practical reasoning. It appears that the industry insists on empirical evidence which it says does not exist. In fact the evidence does exist.

In 1988 the U.S. government passed legislation requiring health warning labels to be placed on the containers of alcoholic beverages. Implemented in 1989, a series of studies have been conducted to detect the impacts on knowledge, attitude and behavioural changes. Although early studies showed little effects, as the years went by literally dozens of research studies have started to show progressively improving results. Here are some examples:

In December 1993 the *Journal of Public Policy and Marketing* in a report on public attitudes toward alcohol control since the warning labels were mandated in 1988 said: "It is concluded that the label is serving the goal set out for it, to inform the public of the hazards associated with alcohol consumption".

In 1993–94 the *International Quarterly of Community Health Education* in a report on the awareness and knowledge of alcohol beverage warning labels among homeless persons stated: "Age and level of alcohol consumption were each associated with label awareness and content familiarity suggesting that alcohol beverage warning labels may be reaching homeless persons".

The final example comes from the March 1994 International Conference on the Reduction of Drug Related Harm. In the research paper "Mandated Container Warnings as an Alcohol Related Harm Reduction Policy" it finds: "Within the U.S. results indicate an association between seeing the label and displaying behaviours relevant to limited drunk driving. Limited drinking before driving, 68 per cent, was associated with seeing the label in the last 12 months; limited driving after drinking was even more significantly associated".

The evidence is mounting and very powerful. That is why the U.S. started to use warning labels in 1989. That is why indeed in Canada, the Yukon and Northwest Territories started to use warning labels in 1991. That is why 77.5 per cent of Canadians surveyed by the Addiction Research Foundation in 1994 said they would support health warning labels on alcohol beverage containers. Why? Because Canadians know that warning labels work.

This initiative of having health warning labels on the containers of alcoholic beverages is not a recent subject in Canada. It was first raised in 1976 by the then minister of health, the Hon. Marc Lalonde. In 1992, as I mentioned earlier the House of Commons standing committee on health and welfare recommended warning labels to the government.

How do current legislators feel? On May 23, 1995 the B.C. Minister of Health wrote the following to the federal Minister of Health: "I am writing to you in regards to alcohol warning labels. This was a topic of our discussion at the provincial, territorial ministers of health meeting held in Vancouver April 10 and 11, 1995. There was unanimous agreement that warning labels should be pursued by the federal government".

• (1745)

I repeat, the provincial ministers of health unanimously agreed that warning labels should be pursued by the federal government. In addition, the federal Minister of Health has clearly stated her strong support for health warning labels for the containers of alcoholic beverages.

The alcoholic beverage industry feels the consumer has the burden of proof that health warning labels work. I believe the burden of proof that they do not work must fall on the industry. If it cannot provide that burden of proof, then today I call on the industry to discharge its social, moral and business responsibility and voluntarily comply with this labelling recommendation.

Bill C–337 is the first piece of legislation on warning labels that has ever reached this point in our legislative system. The bill no longer belongs to me. It now belongs to all the members of Parliament.

We cannot afford to miss the opportunity to do the right thing. I humbly ask for members' support to pass Bill C–337 today at second reading so that we may more rigorously pursue the facts through public hearings before the Standing Committee on Health. In this way, members of Parliament who are not in the cabinet can once again demonstrate to Canadians that we can and do make a positive contribution to the well–being of all Canadians.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to rise to speak in this House to Bill C–337, which amends the Food and Drugs Act. This bill, tabled by my colleague for Mississauga South, is aimed at warning pregnant women and the public at large about the health risks involved in the consumption of alcohol. It also serves to draw attention to the fact that alcohol consumption reduces a person's ability to operate machinery or an automobile.

We agree with the principle behind this bill. It is now recognized, even by the manufacturers of alcoholic beverages, that alcohol abuse can lead to a variety of health problems, impair an individual's faculties and limit their ability to perform certain tasks requiring concentration.

In recent years, society has recognized the danger of impaired driving. This awareness has caused lawmakers to strengthen legislation covering driving while impaired and to provide harsher penalties for offenders. Governments have run public

awareness campaigns with the participation of the manufacturers and distributers of alcoholic beverages.

People are also increasingly aware of the risks inherent in the operation of machinery or equipment following the consumption of alcohol. Excessive alcohol consumption over long periods may also cause health problems.

According to the Addiction Research Foundation, alcohol is involved in 19,000 deaths a year through heart and liver disease, certain forms of cancer, suicide and traffic or other types of accidents.

Excessive alcohol consumption also plays a part in vandalism, acts of violence and family problems. The use of alcohol consumption as an extenuating circumstance in the courts recently led to Parliament's legislating against self–inflicted intoxication as an excuse for illegal behaviour.

This said, we cannot generalize and say that alcohol is responsible for all of society's ills.

Most of the members of this House doubtless take a drink in moderation from time to time and enjoy it. It is not the consumption of alcohol that is dangerous or harmful, it is the abuse of it.

• (1750)

According to recent studies, limited consumption of alcohol may even be beneficial to certain individuals, particularly those who may be candidates for coronary or circulatory problems. I am not trying to say that alcohol consumption is totally beneficial, but I would like to point out that the alcohol problems we often hear about are primarily the result of abuse and overconsumption.

The sole exception applies to pregnant women. Recent studies on fetal alcohol syndrome have shown that even moderate consumption of alcohol may involve risk to the foetus, by altering the breathing of the foetus and reducing the flow of blood to its brain.

Negative effects observed after birth include lower birth weight and delays in the child's physical and mental development.

We have just listed many reasons for warning the public against the various problems that may be caused by or related to alcohol consumption. What form should the warning take? Will the bill before us be a solution or a step in the right direction? Should other ways be developed as well to warn people about the effects of alcohol abuse?

Currently there are a number of advertising campaigns aimed at increasing public awareness. In Quebec, for instance, the campaign against drinking and driving has been successful to some extent in reducing the number of automobile accidents related to alcohol consumption. The Société des alcools du Québec launched a campaign under the now well known slogan "La modération a bien meilleur goût", a phrase that has become very popular. During the holiday season, some companies include in their advertising a warning to their customers to drink with moderation.

In addition to the examples I just mentioned, many other ways to increase public awareness have been suggested by various intervenors in the business of selling alcohol. For instance, some licensed establishments now stock non–alcoholic beverages and list these on the menu. Some municipalities may consider posting warnings, in establishments that serve alcohol, against the potentially harmful effects on the foetus of consumption of alcohol during pregnancy.

Recently, there has been a trend towards more emphasis on providing information through health professionals. For instance, urging physicians who treat pregnant women to stress the harmful effects of alcohol during pregnancy. Social workers are also being asked to increase the public's awareness of the potential effects of drinking alcoholic beverages.

Briefly, we must be aware of the important role of prevention, education and other forms of social intervention in making the public aware of problems that may be related to alcohol consumption.

We should also consider the practical aspect. First of all, we would have to estimate the additional cost to producers and distributors and see whether it would adversely affect smaller producers, especially the micro–breweries and brewers of local beers which are a recent development.

It would also be necessary to find out if this measure would make the industry less competitive or violate international free trade agreements signed by Canada.

Of course the money aspect should not cause us to forget our main concern which remains the health of Canadians. However, before implementing a labelling directive like the one provided in the bill, we must be certain this kind of measure would be effective.

Of course, as is often the case, where public health is concerned, it is difficult to argue against the merits of virtue, and that is why we welcome the bill proposed by the hon. member for Mississauga South.

[*English*]

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, in speaking today on Bill C–337, I would like to start by telling a story about Johnny. Johnny was a little fellow who was adopted into a family. This family had enough resources to take on Johnny's responsibilities. They welcomed him with love and care into their home. He had come from a family that had some problems, a broken family.

• (1755)

As Johnny grew he was different from the natural children in this family. His growth was somewhat stunted. He was smaller than the other kids. They thought perhaps it was heredity. When he was old enough to start learning things he seemed to fall behind the other children in the home. He was a very active boy. He had a very strange habit in that he could climb the door frame right to top of the door. He got himself into most peculiar spots in the home. He would climb up on top of the cupboards.

As he got a little older Johnny was hard to control in the sense that he would run away from home and the family would have the police out looking for him. He could be gone for three or four hours and be impossible to find. One day he left home, crawled into a camper down the laneway and found some matches. He built a little bonfire in the camper and lit the camper on fire. This was a neighbour's camper, a most unpopular item.

Johnny loved wildlife. When he was outdoors he was extremely interested in the frogs, the turtles and the insects. He was really happy when he was outdoors.

I am going through his life now. As he got older and became a young teenager it was quite obvious Johnny did not have the mental capabilities of a normal teen. He was stuck somewhere back in preschool in terms of his educational capabilities. He became somewhat aggressive and difficult to handle. He ended up having to become a ward of the government, a ward of the province in which he lived. He had to leave the home that had provided him with love and attention. He had to be looked after by other individuals.

Johnny is now old enough to recognize that he will never hold a productive job. He will always be a responsibility of the government, a responsibility of the province, a responsibility of the individuals who care for him.

It turns out that Johnny's natural mom drank heavily. Johnny was a victim of fetal alcohol syndrome. His mom had so many problems that her life was not complete without alcohol so she drank heavily. Johnny has an incurable problem. His life is completely affected by that early childhood, the time when he was in the womb.

Fetal alcohol syndrome is totally preventable. Early development with alcohol presents birth defects, retardation, hyperactivity, all the things we saw in Johnny. It is totally preventable. All we need to do is make certain that young moms and even older moms when they are pregnant do not drink heavily.

I would like to compare fetal alcohol syndrome to German measles, rubella. How do we treat German measles? We inoculate all women who will become pregnant or could become pregnant. We warn pregnant moms during the first trimester of their pregnancy not to come in contact with German measles. We do rubella tests on them to make certain they have immunity to rubella. We educate and in the instance of rubella we do not have to legislate.

Is legislation necessary in this instance? Bill C–337 calls for putting a warning label on all alcoholic beverages, a warning label that says that consumption of alcoholic beverages can impair a person's ability to operate machinery or an automobile and may cause health problems or birth defects during pregnancies. When should we legislate personal behaviour? When should we legislate what an individual may do in society? We should legislate when there is a third party who has no choice. In this case, with fetal alcohol syndrome, there is a third party with no choice. The infant in the womb has no choice. Legislation in this instance has merit.

• (1800)

I compare this issue to smoking in a public place. In an enclosed place where others are affected by the smoke of a smoker there is a place for legislation.

Reformers generally want to have as small a government and the least intrusive legislation possible. However, in the case of fetal alcohol syndrome legislation may be warranted.

Is this label the way to go? If I were thinking how best to warn women most likely to be affected by fetal alcohol syndrome I would not put a worded label on the bottle, I would put the profile of a pregnant woman on the bottle with a big red X across it. I would direct my efforts toward those women most likely to drink heavily, some of whom are illiterate. In many cases native women are affected by this problem. Some of them would not understand a worded label.

How would I implement such a change? I would first say to the alcoholic beverage companies that legislation would not be necessary if they would comply voluntarily. There is a strong public sentiment for good corporate relationships. I challenge those companies to listen carefully to this debate. Legislation would not be necessary with the proper labelling for fetal alcohol syndrome on bottles. They have shown some willingness to comply by their anti–drinking and driving campaigns. It would be profoundly reasonable to comply on this campaign.

This bill is some evidence that Parliament can co–operate. Reform members are quite keen to see health measures of a preventive nature promoted in Canada. Consequently we will support this bill to the committee stage at this level quite strongly. We are supporting it on my behalf because of my wish for little Johnny to be happy.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, it is my pleasure to have the opportunity to speak to this problem. I am also pleased that all three parties of the House agree on this issue.

For the last 15 years it has been an issue with which I have been involved as a physician, as an advocate for my patients and as a member of the British Columbia Medical Association lobbying to change public policy.

Canadians from all walks of life in every region have been concerned over the years about alcohol consumption and especially about the abuse of alcohol, not only its effects on society but its effects on the health of individuals. Canadians have always looked to governments to reduce the risks associated with this drug.

These concerns have taken various forms at different times. In the 1980s the major concern was drinking and driving. Governments have acted at the provincial level and at the federal level to take into consideration this issue. The companies that make and market alcohol have been fairly responsible with respect to drinking and driving. Together we have managed to see in this decade that the issue of drinking and driving has begun to take root in the minds of the public and in the minds of the young people who are the most affected.

• (1805)

More recently the major alcohol related concern has shifted to fetal alcohol syndrome and fetal alcohol effect. A parliamentary committee reviewed this topic in great detail and came down with a large number of recommendations, not the least of which was labelling. This was a stakeholder conference. There were three conferences in a row. At the conference were makers and marketers of alcohol who basically had a sense of responsibility toward the issue, although they did not seem interested in going as far as the labelling issue.

FAS is fetal alcohol syndrome, a medical diagnosis that refers to a set of alcohol related disabilities associated with the use of alcohol during pregnancy. It is used to describe a set of physical, mental and behavioural changes in young children who have been born with this syndrome.

Exposure of the fetus to alcohol has a great deal of effect specifically on the fetal brain and brain tissue. It is because of this that we see fetal alcohol syndrome. Different levels of drinking can produce fetal alcohol syndrome. Lower levels of drinking can produce fetal alcohol effect, which is not as full blown a syndrome in that there are not usually physical disabilities associated with it, but the behavioural components are clear.

There are some surveys and information now that are leading us to believe that a lot of people who exhibit anti–social behaviour, who have behavioural problems in school and who fill many of the jails in this country have fetal alcohol effect. We can curb this problem and stop it. It is preventable. One or three in every one thousand children in industrialized countries has fetal alcohol syndrome or fetal alcohol effect. This is a terrible issue that we must deal with.

This is not the only thing I want to talk about because I do not want people to believe that here we are again hitting on any particular social enjoyment we all have. Alcohol is not, unlike tobacco, a dangerous drug if taken according to instructions. We now know there is a level of hazardous drinking that results in the acute effects we see in terms of drinking and driving or using machinery or acts of violence when one is acutely drunk. There is also a certain level of hazardous drinking if done over a period of time. It can lead to hypertension, cirrhosis of the liver and some alcohol induced psychosis in the long term.

We are talking about a drug that has an effect on humans and on the health status of humans. It is time we did something about it, specifically because alcohol is such a socially acceptable drug and specifically because it is a substance we can use appropriately and enjoy in a way that is not dangerous, except of course with the one exception, when one is pregnant. A pregnant woman should not have any alcohol whatsoever.

What we are talking about is a substance we could make safe. How do we make anything safe? When we buy antihistamines across the counter there is a warning not to drink alcohol while taking them; do not operate machinery. On a bottle of Draino there is a warning not to ingest it internally. We know certain things are hazardous when used inappropriately.

Alcohol lends itself specifically to labelling because it is a way we can send a clear message that tells everyone they can use this substance in a safe way or in an unsafe way, and these are the unsafe ways. Warnings on products lead to their safe use. That is what we are talking about.

Health Canada spends a great deal of money on programs for native people and the Inuit people especially, community based programs, to support parents and children who have FAS and FAE.

• (1810)

We also have lots of programs that deal, as any healthy public policy should, with education and awareness because public awareness is the key. We cannot say someone is doing something wrong when they do not have any knowledge it is wrong. Therefore public awareness is the key and this is where labelling comes in.

Labelling clearly says do and do not. It gives a clear, defined parameter within which to work in a safe way to use a substance as in the case of alcohol. While we see that there are a lot of remedial services and support programs, and while we are at the moment increasing awareness and doing education programs in the schools and in communities, working at all levels, federal governments, provincial governments and community based groups are all working hard to stop the abuse of alcohol and the inappropriate use of alcohol.

We have not used one tool sitting in our little box of tools. Many people have said this will be expensive. I do not understand why this will be any more expensive because the alcohol industry, in order to export alcohol to the United States, must put a label that warns of the dangers of alcohol because labelling is mandatory in the United States. Yet we have on one side of a room a whole lot of bottles sitting there with no labels. People are busy sticking labels on them just to send them across the border.

Are the children in the United States any less important than our children? I say no. This is not a major burden we will be putting on the alcohol industry. It is an industry that has shown to be very supportive and very accountable in terms of how it deals with alcohol.

I am pleased the member brought this to the fore because it is an opportunity for us to talk about this issue. Doubters say look at what happened with the tobacco industry. The Supreme Court ruled we should not ban advertising and sponsorship because we have not proven it will make a difference to youth. Whenever members talk to manufacturers and to advertising agencies they always say package labelling confers a great deal of information about the product, and that manufacturers use labels to send us many messages about the image of their product.

If one wants to buy detergent it has to be the kind of detergent that speaks of grandma using it; a nice clean wash with sea breezes blowing through it, one that smells good with lemon and lime and all these things. We always use images to sell our product. Soup labels convey the down home quality. It is always something hearty and the sort of thing we were used to in the old days.

We talk about cigarette manufacturers. They have brought this to a fine art. They are the most expert at turning a product. They talk about youth and vigour. They show how many friends one can make if one smokes. They show how socially acceptable one will be, how great at sport, how wonderful a lifestyle one will gain from smoking.

What is crucial here is the recognition that in many areas no distinction can be drawn between the product as conceived by the maker and the packaging. The product and the packaging are almost the same. That is why manufacturers are often so very resistant to labelling or to putting anything on their product that says the product is not as good as it should be.

I hope everyone here will support the bill. We support it very strongly at Health Canada. We believe if we are ever to prevent the preventable diseases that create a great deal of tragedy in our lives, this is one sure step. We are already half way there. We do it for the United States. Let us do it for Canada.

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill, to which the concurrence of this House is desired: Bill S–12, an act to amalgamate the Alberta corporation known as the Missionary Church with the Canada corporation known as the Evangelical Missionary Church, Canada, West District.

Pursuant to Standing Order 135, the bill is deemed to have been read the first time and ordered for second reading at the next sitting of the House.

* * *

FOOD AND DRUGS ACT

The House resumed consideration of the motion that Bill C–337, and act to amend the Food and Drugs Act (warning on alcoholic beverages), be read the second time and referred to a committee.

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.

• (1815)

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

Mr. Boudria: I rise on a point of order, Mr. Speaker. I note that members seem to be ready for the adjournment debate. Perhaps we could call it 6.30 p.m.

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

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

DEPARTMENT OF NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, on October 6, 1995 I asked the Minister of National Defence a question pertaining to the week of revelations at the Department of National Defence. During the week of revelations it had been discovered that senior officials at NDHQ altered documents. The punishment: the department was instructed to investigate itself.

Further evidence revealed that Lieutenant–Colonel Kenward destroyed evidence and obstructed justice. His punishment: he was promoted.

Yet more evidence showed that Colonel Labbé uttered unlawful commands. His punishment: he was put in charge of the army staff college to teach leadership.

In our parliamentary democracy we have what is called ministerial responsibility. It is the minister's responsibility to know what is going on in his department and to take responsibility for the actions of his subordinates.

I pointed this out to the minister. I said that he must have had these events on file. I asked him why he waited so long to act.

The Parliamentary Secretary to the Minister of National Defence stood on behalf of the minister. He said that he was disappointed that I would dare to ask a question pertaining to ministerial responsibility. Then he told the House something that all Canadians have known for a long time, that the government was so terribly open it was opaque.

According to *The Concise Oxford Dictionary*, seventh edition, opaque means not transmitting light, not transparent, obscure, obtuse and dull witted. I admire the parliamentary secretary's honesty. This is one instance where a member of the government was not obscure. I hope the Liberal whip was easy on him. He has been unforgiving with other Liberal members of Parliament who speak their minds.

Being pleased with the parliamentary secretary's openness, I asked him if the actions revealed that week were considered examples of good leadership. Sadly the parliamentary secretary went back to normal Liberal tactics. His answer was obscure. He said he did not like the tenor of my question and that he personally had called for the Somalia inquiry while in opposition.

This was all fine and good but he failed to answer the question that Canadians demanded to be answered. I then informed the parliamentary secretary that it was the Reform Party that called for an open inquiry. The parliamentary secretary would have been satisfied with a cloudy internal investigation. He did not protest the minister's attempts to make the inquiry opaque.

Canadians are extremely dissatisfied with the mismanagement of the Minister of National Defence. Whether it is the evidence of cover–ups or the procurement of the minister's gold plated pens, Canadians are demanding change. Since our parliamentary system is based on ministerial responsibility, I asked the minister to resign.

At this point the right hon. Prime Minister intervened. He talked about his personal support for our soldiers. This was not just opaque; it was pure balderdash.

The Prime Minister has been in the House for 30 years. Where was he during unification? Where was he in 1969 when the budget reduced the army from 45,000 to 25,000 and the militia from 24,000 to 13,500? Where was he during the civilianization of the armed forces? Where was he when the regimental system was under assault?

He was a senior official in the Trudeau government on the military dismantlement team.

• (1820)

Regarding Lieutenant–Colonel Kenward and Colonel Labbé, the minister had these reports on file with respect to these events. I ask the parliamentary secretary again why the minister waited so long before he acted. Does the minister consider the actions of these senior officials to be examples of good leadership?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is very misguided in his attempts to discredit the minister and the government.

Certainly members on this side of the House know that the platform of the third party has been to use specious and irrelevant petty arguments and half truths for partisan gains which really have nothing to do with the Canadian forces and the issue at hand.

Let us look at the facts. It was a Liberal government that called for an inquiry. It was this government that ensured the inquiry would be public and open. At least the hon. member gave me credit for asking for it two and a half years ago.

It was this government that encouraged people to come forward with the information and to go forward to the inquiry. It was this government that ensured that the Somalia inquiry was provided with complete and accurate information and that relevant documents were made available to the commission.

Not all these actions have been easy. We could have been goaded into precipitous action. I will give one example. Where others may have been attempted to score political points, we stayed the course and waited for the Westray Mine decision so that justice would be done and done properly, without the possibility of it being undone later because of a technicality.

That is one example. These actions point toward good leadership, integrity and willingness to get things done. Now is the time for the commission to do its work and we look forward to its recommendations.

The Canadian forces have a long and proud heritage which we are not prepared to throw away, despite the antics from the other side of the House in the third party. I suggest the third party share the sentiment of all members on this side of the House, especially at a time when we have just embarked on a new program, the first in the history of peacekeeping. I hope they will continue to lend their support for Canadian forces abroad.

Adjournment Debate

CANADIAN WHEAT BOARD

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, a week ago, on November 30, I rose in the House to question the Minister of Agriculture and Agri–Food on a recommendation he had received from a senior executive officers committee that he had struck several months ago. It was looking at some of the ideas concerning ownership of hopper cars, the future role of the wheat board in allocating cars in the grain handling system in western Canada and other similar matters.

I tried to make the point with the minister that the recommendation coming from that group was that farmers would be asked to pay an extra $1 per tonne to raise money to purchase between 12,000 and 13,000 hopper cars the federal government now owns. They have an assessed value of $400 million, but the proposal is that the railways each take half the cars for a sum of $100 million which they can raise by imposing an extra fee of a dollar per tonne on the farm sector for everything farmers ship. In the end, after having collected the extra money from farmers, the railways would own the cars.

This seems to be the ultimate bad deal for farmers. If they are paying for the cars, why do they not end up owning them? This is something farmers are arguing. They think the senior executive officers have presented a proposal that is self–serving in the ultimate. We must remember that at least two of the people on the senior executive committee represent the two major railroads.

The basic justice of the proposal is something I was arguing. The minister in his response said he had not made up his mind yet, but I should remember the senior executive officers recommended that there be a ceiling placed on freight increases, other than the $1 per tonne, for 10 years.

I have listened to responses from farmers in western Canada to this remark. They are very quick to remember that it was a Liberal government approximately 97 years ago that promised the Crow rate in perpetuity, and that means forever in anybody's language. It lasted for 96 or 97 years.

• (1825)

The question the farmers have is a very good one. They are saying if perpetuity lasts 96 and 97 years, how long will 10 years last? The answer in coffee row is until the next budget.

They will not buy that and I do not see why they should. It is incumbent on me as a member from out west to remind the minister that his credibility and the government's credibility on promises for grain rates and promises into future activities of the government or any future government is zero after what they have done to the Crow rate and other things considered to be part of the constitution, almost, for Canadian farmers. That is not acceptable.

What is acceptable is to put those 13,000 cars under the control of the wheat board, even if farmers have to pay for them. At least it would let them know they own them afterward and that their agency, the board, can control them.

The board does an excellent job of distributing rolling stock. As I have pointed out, the ownership of rolling stock was thrust on them because of the railways' refusal in the 1970s when the current minister was assistant to Otto Lang. The railways simply refused to buy or rent rolling stock. Farmers and provincial and federal governments were forced to buy rolling stock to keep Canadian grain rolling.

As I have said, the board has done an excellent job of using the rolling stock. It has extremely high turnaround times, meaning that a car is loaded, delivers its load and is returned to the country elevator system faster than any other grain cars in the system. I will give an example using comparable grains. Durum wheat makes 17 turnarounds in a year using wheat board cars, compared to oats which are operated by the open market and only make 12 turnarounds. This gives an idea of how much more efficiency there is under the board controlling those cars and of the savings that result both to farmers and to railroads from that activity.

I recommend the government take very seriously turning these cars over to farmers. Yes, we will pay for them if we have to, but they should be left in the control of the wheat board.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, a working group of senior executive officers and farmer representatives in the western grains industry has arrived at a basic consensus about what should be done with respect to government owned hopper cars, car allocation procedures and the role of the Canadian Wheat Board in transportation.

The report will be discussed at various farm organization meetings over the winter. Until farmers have had an opportunity to understand and comment on the recommendations, it would be premature to make a full or final decision with respect to the government's response to the report.

The consensus achieved by this group is certainly remarkable in itself. Only a few years ago many people would have thought it would be impossible for such a consensus to be reached by such a divergent group. It is a package involving a balance of tough but creative compromises and it has to be looked at as a whole, as a package.

The government will respond to this report in early 1996 and is proud of its record of consultation with stakeholders. This is the way we operate and this issue will be treated the same as all the others.

ENVIRONMENTAL PROTECTION ACT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my NDP colleagues and I have been concerned for some time that the Liberal government would not do the right thing in responding to the fine work of the Standing Committee on Environment on the Canadian Environmental Protection Act.

Since the release of the committee's report last June there have been numerous media reports about how the government would respond. There have also been fears expressed that the Minister of the Environment, who is said to be a supporter of the recommendations of the committee, is being pushed out of the decision making picture by the interests of the Minister of Industry and the Minister of Natural Resources who are said to oppose the same recommendations. In fact, some officials within the industry department said openly that the committee's proposals are a threat to the country's investment climate, costly to implement and grounded on shaky science.

• (1830)

At the same time the Minister of Natural Resources, speaking in the House of Commons on the government's CEPA response in relation to concerns raised by the mining industry said: "At this point I am willing to go on record that, working together, we will ensure a regulatory regime that supports the mining industry".

When we take those comments into account and add to the mix the fact that the government has blatantly ignored the committee's request, indeed Parliament's direction, that a response be provided within 150 days, it is easy to see why concerns about the government's ultimate intentions remain in the minds of all those who care about the future of the environmental regulatory process.

Members of Parliament will remember that on November 21 I criticized the government for failing to table its response. The only answer I received was that the response would be coming within two weeks. It is 10 days later and we are still waiting.

It is possible that the Minister of the Environment is having difficulty getting a favourable response through cabinet. This is the government's most important environmental decision to date.

Few would argue that the 365 page committee report entitled "It's About Our Health" with its 141 recommendations dealing with virtually every aspect of the federal government's role in the protection of Canada's environment is not significant.

May I remind members and the public that is listening that the committee made recommendations for amendments in the areas of toxic substances assessment and pollution prevention, the assessment and regulation of biotechnology products, ocean dumping and coastal zone management, the role of First Nations in environmental protection, the ecosystem approach to environmental protection, environmental management within the federal government, public participation in federal environmental decision making and federal environmental law enforcement.

In a recent article in the *Globe and Mail* Paul Muldoon of the Canadian Environmental Law Association and Mark Winfield of the Canadian Institute for Environmental Law and Policy said:

> The federal government's response will be a bell-wether indicator as to whether it will take its responsibilities regarding toxic substances and other aspects of environmental protection seriously.
>
> Based on the weight of evidence known to date, the standing committee recommended that strong action is needed regarding the most toxic substances.
>
> The departments opposing CEPA reform demand absolute proof of harm prior to any substantive action.
>
> They are willing to roll the dice with the health of Canadians. The Liberal government must now decide whether it is prepared to do the same.

On October 24, concerned about the comments of the industry officials mentioned earlier, I asked the Minister of Industry if he was going to take the advice of those officials or would he welcome the opportunity to turn Canada into an international leader in green legislation as detailed in the impressive recommendations of the environment committee.

I ask that question again tonight, in the hopes that the government is prepared to confirm its support and indicate to us when its response to the CEPA report can be expected.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first I would like to thank the hon. member for The Battlefords—Meadow Lake for his close interest in the CEPA review. He worked on the committee during the CEPA review. He has shown a continuing interest in it throughout the committee's deliberations and after the report was issued. It is very commendable that he has brought up this issue so that Canadians will be aware of the status of the government's response.

I am sorry the response is late. The minister is in Vienna at the ozone layer convention, which occasioned a further delay. However, the response will be ready extremely soon.

I can assure my colleague that the response will reflect, very honourably, on the recommendations and the thrust of the report of the standing committee and all the principles which have been

put forward by the committee. The main program of the committee, as suggested in the report, will be reflected in the response.

• (1835)

I can assure the member that the Minister of Industry, whose law promotes sustainable development, is very much on side in co–operating with the Minister of the Environment to ensure that the report reflects what is the preoccupation of Canadians toward sustainable development and the integration of the economy and the environment, including pollution prevention.

VIETNAM

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, on October 4, 1995 I rose in the House to request the Minister of Foreign Affairs to use his good offices for the Government of Vietnam on behalf of nine religious, academic and cultural leaders under imprisonment in Vietnam and waiting retrial.

I had this matter brought to my attention by members of our Vietnamese Canadian community in Vancouver and also in Ottawa and elsewhere. I had followed up with meetings with the Vietnamese ambassador in Ottawa, with communications with our Canadian ambassador in Hanoi and with written representations through our government and others.

I was happy to be able to inform the House in a statement made on November 22, 1995 that the Vietnamese government had acted to release two of the religious and cultural leaders and that they had already left Vietnam and were now in North America.

Canadian foreign policy in its golden era in the immediate post–war period developed and applied the skills of quiet diplomacy, involving patient but firm negotiations and never resorted to gunboat diplomacy 19th century style, which would have been beyond our military logistical capacities anyway.

In the contemporary post–cold war era, when trade and commerce have replaced political military power as the basis of the world public order system, I would ask the minister how he can best continue to promote the development of democratic constitutionalism and the advancement of basic constitutional rights in our new neighbour countries of the Pacific rim.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I know the Vietnamese Canadian community across Canada is very appreciative that the hon. member for Vancouver Quadra raised this issue not only in the House of Commons but in other fora.

As the Secretary of State for Asia–Pacific stated during question period, Canada's position and our relationship with Vietnam is one of supporting engagement rather than isolation. This is in concert with the rest of the international community. Having a dialogue on human rights remains an important part of our relationship.

When the Minister of Foreign Affairs was in Hanoi in the middle of November, he raised human rights issues with his Vietnamese counterpart, Minister Nguyen Manh Cam. The secretary of state also raised his concerns about human rights in Vietnam during his visit to that country. Furthermore, he had a lengthy discussion about human rights with the Vietnam deputy prime minister during the latter's visit to Canada last year. We also maintain an ongoing dialogue through our embassy in Hanoi and with the Vietnamese embassy in Canada.

Our policy is to speak honestly and forthrightly in appropriate multilateral fora such as the United Nations' third committee, which deals with questions of human rights.

In his speech on Friday, December 1, Ambassador Bob Fowler mentioned Canadian concerns related to religious and political prisoners. In our judgment, maintaining a position of quiet diplomacy bilaterally while continuing to speak honestly in multilateral fora is more effective than a confrontational approach.

We are pleased to see that two prisoners have already been released. I am certain that the hon. member's interventions at the ambassadorial and other levels went a long way toward this release.

We hope our current policy and the hon. member's skills of quiet diplomacy will continue to have positive results.

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I would like to take this opportunity to address a reply to my question from the Parliamentary Secretary to the Minister of National Defence. It is about how the government plans on tendering moving contracts in the future.

Currently, only the four major Canadian van lines can bid on moving projects with DND. The others are given a chance to match the lowest bid. The successful bidder receives a volume bonus. Work is then farmed out to companies across the country.

• (1840)

The government proposed to change this system, so that any company from any country would be allowed to bid and the lowest bidder would get all the work. That meant that DND would move toward a one bidder take all system that would create a monopoly in the moving business. It would destroy an industry of over 800 companies across this nation and put thousands of people out of work.

Now the government, thankfully, has changed its mind and is proposing another plan, where a moving company with the lowest bid will receive 40 per cent of the government's business. The next three lowest bidders will receive proportionately less as long as they match the lowest price.

The government currently works with something called GLAC, the government list of approved carriers. If you are not on that list, you are not eligible for government moving contracts. Under the new proposal, that list would be scrapped.

The hundreds of independently owned and family owned moving companies that make up the moving industry provide quality service. They are on that GLAC list. They own the warehouses and the moving vans. They have invested millions of their own dollars in infrastructure.

Last week, Randy Hoyt, president of the Hoyt's Group of Companies from Atlantic Canada, told the public accounts committee that the volume of government business available to each of the GLAC carriers has varied according to their track record. For poor quality, movers are removed from the list or suspended.

This system is serving Canadian taxpayers well and is good for government employees and independent movers. Because they were assured a share of the volume, movers have invested in facilities and trained staff at locations in Canada where service would otherwise not be available. Atlantic Canada is a case in point. There are many towns where these companies have operations and so the public gets competitive quotes when they move.

The government's new proposal will destroy this system and the benefits that go with it. It will also result in thousands of job losses.

Ontario businessman Pat Baird told the public accounts committee that he wants to bid under the proposed new system. Mr. Baird has no trucks, no warehouses, no infrastructure. He has two to three employees and has no financial investment. He made misleading statements to the committee. He told the committee that if he wins the bid, he wants to use rail lines to move government employees. He forgot that we do not have rail lines in many parts of Atlantic Canada. He said that he has a joint venture with CN Rail and CN will be building 300 to 400 new 53–foot containers made up as moving vans. He also said that CN's investment was going to be $26 million.

I have spoken to CN and according to CN it has a verbal agreement with Mr. Baird. If the bid is successful it is prepared to modify, not build new, some old 48–foot containers, not build new 53–foot ones, as Mr. Baird said, at a cost of $4,000 to $5,000 each. According to CN, its commitment will only be $1.3 million maximum, not $26 million as Mr. Baird has stated.

These inaccuracies in Mr. Baird's testimony should serve as a warning. The proposed new tender process should be put on hold. I appeal to the parliamentary secretary and the minister to review this matter. All I ask is to put it on hold and look at it because of these discrepancies and inaccuracies.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the interdepartmental committee on household goods removal services, which I will call the IDC for short, recently conducted a review of the household goods removal service process. It had three goals when it did this.

The first was to reduce the cost and increase the efficiency of an admittedly overregulated arrangement with the industry. The second was to encourage the entry of new competitors into the process. Third was to secure greater savings through the application of economies of scale and consolidation of service.

The committee reviewed the feasibility of using a single supplier, as the hon. member said, for its moving business. The committee's evaluation of the concept after meetings with parliamentarians and others in the business concluded that there was a potential for saving, but insufficient grounds exist at this time to introduce a major change in the process. The information was too soft and the risks were too high.

The committee met with current contractors and other interested parties to seek industry feedback and to include their views in order to ensure that the process was open and transparent.

A new approach to acquiring these services has been developed which represents strong potential for savings, addresses the concerns of the Bureau of Competition and moderates the implementation risks involved.

The basic elements of the changes are: a one year competitive tender fully accessible by any interested party; the lowest bidder will receive 40 per cent of total government business, while the remaining compliant bidders, maximum of three more, would receive 25 per cent, 20 per cent and 15 per cent respectively; the lowest bidder's rate would be used; contractors would not have the right to refuse government moves; contractors rather than the government would determine the infrastructure requirements; and exclusivity rules would be rescinded whereby any carrier could align itself with another carrier, van line for government moves. These changes will take effect in April 1996.

Finally, I want to assure the hon. member and this House that this government is committed to fairness in awarding government contracts while at the same time ensuring that the best possible value for the Canadian taxpayer exists. I assure her that her concerns will be taken into consideration.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, a motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands ajourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.47 p.m.)

HOUSE OF COMMONS

Friday, December 8, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE SYSTEM

Mrs. Francine Lalonde (Mercier, BQ) moved:

That this House denounce the government for its massive cuts to the unemployment insurance system that limit access to the program and hit young people, women, seasonal workers and immigrants hard.

She said: Mr. Speaker, it is with a sense of pride and with the greatest determination that I table this motion this morning. The official opposition is outraged by the fact that women, seasonal workers, newcomers, any person who is not already on the labour market and all those who are forced to look for work on what is called the new job market are dealt a direct blow by this UI reform, which was so long in coming and which the government did not see fit to make public before the Quebec referendum. In short, it hits anyone who does not have a secure job that pays reasonably well. We know that such jobs are becoming increasingly rare.

That makes a lot of people. One thing is sure, within just a few years, hundreds of thousands of Canadians and Quebecers will be affected. For the hon. members' information, I should mention that, each year, one third of the workforce in Quebec relies on one form or another of UI assistance. Now this inequitable reform hits directly anyone who is not already a player in the system, any new player who might need the kind of collective support provided by a real UI program, as opposed to a bogus program.

From now on, the first time someone apply for UI benefits, he or she will be required to have worked 26 weeks, 35 hours a week, over the previous 52 weeks to be eligible. Anyone who knows anything about the labour market knows how hard it is to meet these requirements. Anyone who has a child, brother, sister, mother or friend who is a newcomer knows how terribly difficult it is to meet these requirements in the world we live in.

Seventy per cent of all part time jobs are held by women. And 40 per cent of them are held by young men and women. In the future, 910 hours of work will be required to qualify, or 26 thirty–five hour weeks, instead of 20 fifteen hour weeks. Let us look at what 910 hours of work mean.

Someone who works part time 15 hours a week can quite simply not meet the requirement over the year. It would take this person 60 weeks, but there are only 52 in a year. On the other hand, if someone works part time 17.5 hours a week, by the end of the year, he or she could qualify. These figures show the scope of the change. This is a major change.

In fact, as I said earlier, many women, young people and newcomers will be excluded. The government boasts that an additional 500,000 people will be covered by the UI system. This is a reference to all the workers who, until now, did not pay premiums and consequently were not eligible to UI benefits, because they did not work more than 15 hours per week.

The truth is that, given the prerequisite, this measure, which, in other times, might have been an improvement, will in fact force these people to pay premiums, without actually being eligible to UI benefits.

From now on, there will be two groups: those in the system and those out of it. This will create yet another obstacle for those who are excluded and who will often have to fall back on social assistance. Eligibility for UI benefits, when one is in the system, will also be based on a number of weeks of employment, which will vary from region to region. The minimum required will be 12 weeks in regions with a high rate of unemployment. In Montreal, it is currently 14 weeks. So, under the new system, a Montrealer will have to work 14 thirty–five hour weeks, instead of 14 fifteen hour weeks.

• (1010)

What does this mean in the case of all the new short term positions and part time jobs? It means that it will take these workers longer to qualify. It also means reduced benefits, since it will take longer to qualify, but the entitlement period will ultimately be shorter.

Once again, this is somewhat like a sure ticket, not to British Columbia, but to the welfare rolls. It must be understood, by the way, that the fact that this reform was carried out without any consideration whatsoever of the social assistance or other programs already in place has resulted in a system that is not

better adjusted and co–ordinated than before, but in some ways worse than before.

For those who do not have jobs as stable as the hon. members here—relatively stable at least, for five years—we need to realize that life is not easy. Finding a real job is extremely difficult. This is the case whether a person has an education or not. I know numerous teachers with two master's degrees and a Ph. D. who are still muddling along as best they can, and have had to be on unemployment insurance temporarily in the past. Now they will no longer be eligible.

The same is true for all those who are term employees. New jobs, even in the technology field, jobs with the Internet, in the graphics field and so on, are contracts for X weeks, often not very many. The person may make good money, but after that it dries up and another job is hard to find. That is how the job market is structured.

These measures before us, however, instead of being tailored to the new job market, do nothing more than to take unemployment insurance back to the days when a person had a good job and a good boss, but expected a cycle of layoffs from time to time. Then unemployment insurance was around to fill the gap.

This reform reintroduces, in another disguise, the two tier unemployment insurance scheme that had all of Canada up in arms during consultations on the so–called social program reform. Everyone, including the committee set up by the minister specifically for this, was against it.

Now, with the penalty for "frequent users" as they are termed, a penalty which creates two types of unemployment "pay", depending on whether a person is one of the lucky ones with stable jobs—they have put effort into it too, but luck also enters into it—or one of the unlucky ones who have not managed to have stable employment, there will be two levels of benefits. Two levels, when all is said and done: 50 and 55 per cent. That means that there is constant pressure in favour of decreasing the general level of benefits, each year heading us closer to the U.S. level of 50 per cent of the industrial wage.

• (1015)

This is a regressive reform, that is to say instead of removing the limit on contributions so that people with high salaries, or those who do overtime, may help provide a bridge for those workers who are less fortunate—there was some suggestion of raising that ceiling in the other so–called reform of 1994—instead of going ahead with this, the government is backing away. This is even contrary to what the minister has said, in claiming it was a progressive step. The government is bringing the limit for contributions down to $39,000 per annum. Above that no more is paid into unemployment insurance.

This has a serious economic effect. Let me tell hon. members right off that it is anti–employment. How so? This measure will hit workers and businesses in the so–called labour intensive sector. There will be a reduction in unemployment insurance premiums but also in the solidarity that unemployment insurance provides, since labour intensive businesses which pay high wages will still have an incentive to make their employees work overtime instead of hiring additional workers.

That is not the only regressive aspect of this measure. There is more. Listen to this. The only tax reduction allowed by the government benefits businesses and employees earning a salary of more than $39,000. Until now, they had to pay unemployment insurance premiums but from now on that will no longer be the case. They stand to benefit from a tax reduction that will cost how much? $900 million. It will cost the unemployment insurance account $900 million. So who is going to make up the shortfall? Workers paying premiums for the first time. I did not say first time UI recipients but first time contributors. From now on, UI premiums will be paid on every hour worked.

I explained earlier that this did not mean automatic eligibility. Far from it. But it does mean they will have to pay, those 500,000 or so who are going to pay starting with the very first hour worked. Students who could be exempted previously will have to pay regardless and will not get their money back until they file their income tax return. People who earn less than $2,000 will get the money back when they file their return. Yes, it is easier to administrate but it does not make things easier for Joe Blow.

So a tax reduction for people earning more than $39,000, and for the others a tax increase that will kick in from the very first dollar earned. This is a very regressive measure.

And there is more. I did not mention annualization. What does that mean? It means that, from now on, a young person who has a two–month design contract worth $10,000 will pay premiums on the full amount, but if he gets nothing else in that year, he is not eligible for unemployment insurance, although he paid the full premium on $10,000. Great. You know how much this will put into the UI account? One billion dollars. That is what senior officials came out and told us at our briefing session.

So we can hardly call this reform employment insurance. Despite the announced employment benefits, it is the kind of insurance that will ensure that an increasing number of people will have no other recourse than to go on welfare.

Mr. Nunez: It is poverty insurance.

Mrs. Lalonde: We could call it poverty insurance, and in the case of first time workers, that may well be the case.

• (1020)

Furthermore, in addition to the term employment benefits being a misnomer, they will merely replace a number of active measures that were given rather short thrift. They still exist, but with a difference. Instead of being paid out of the general tax account, benefits will now be paid out of the unemployment insurance account.

So the additional money that will be taken out of the pockets of the unemployed and businesses and workers earning less than $39,000 will be used to pay these new employment benefits but, instead of coming out of the general account, they will come out of the unemployment insurance account.

The official opposition will do everything in its power to stop this reform.

Some hon. members: Hear, hear.

Mrs. Lalonde: Yes, Mr. Speaker, we are going through difficult economic times. And that is why people with some economic imagination ought to know where the cuts should be made. They should not be made at the expense of the average citizen who is having enough trouble surviving as it is. There are many people having trouble keeping their heads above water. Unemployment insurance is supposed to be a life preserver. However, instead of helping people to survive—I am not saying the present system is perfect—the proposed reform is based on the wrong economic premise: it is anti-employment. It will generate insecurity and poverty.

As for those described as abusing the system, one thing must be said—and this is something we learned from the economists long ago—no system can be set up without this happening, unless considerable thought is given to the way it will be used. Those who do not abuse the system will, as we say, get it in the neck.

It is not surprising this measure was not revealed before the Quebec referendum. I would add, however, that workers in the Maritimes are also hit hard. I will say one thing, and I will repeat and repeat it: the approach of this government is to cut the number of workers in the labour market where jobs are not stable. It has nothing to do with the workers and everything to do with the labour market.

Instead of looking for the economic means to transform the labour market, the government is penalizing people, particularly those people who live in the Maritimes and Quebec. Quebec is being further penalized because it has a bigger population. The announced cuts of $640 million are added on to the $735 million in cuts to be made this year and next.

Even taking into account the supposed existing active measures, which will, under this program, this so-called reform, now come out of the unemployment insurance account, even here there are cuts of $400 million in addition to the $735 million. This means more than a billion dollars in cuts for Quebec, not to mention the billions also cut in the Atlantic provinces.

When the labour market fails to provide a job for everyone, people are not punished. What suffers is the economy and the development we are trying to work on.

Yes, Mr. Speaker, I will stop now, but I promise that, though I stop now, I will continue to talk about this reform and do everything I can to block it. It makes no sense for a country like Quebec and for a country like Canada.

Some hon. members: Hear, hear.

• (1025)

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I was glad to hear the hon. member conclude her remarks by saying she had a lot more to say. That was certainly my hope because I did not hear very much that was worth noting.

I have a problem understanding how a member of Parliament who was a very active member of the human resources development committee in which witnesses continually stated to us that they wanted a change to the status quo, could comment to the House of Commons that she still believes in the status quo. She still believes in the system which Canadians from coast to coast, particularly those who are unemployed, have told us is not working. It is simply unbelievable that at this stage of the debate the hon. member would not come up with any proposals that would speak to the modernization and restructuring of the Unemployment Insurance Act.

It is also quite fascinating how the member and her party have spent the past two years advocating separatism. They have advocated the notion that Quebec on its own could actually be a more functional society but for some reason or other they have not mentioned that this type of political instability has resulted in job losses in this country. They do not talk about that because they are too busy trying to pretend they are the defenders of the less fortunate in our society.

The hon. member also does not talk about the 100,000 jobs that will be created as a result of the employment insurance changes the Minister of Human Resources Development tabled last Friday. She does not talk about that because it is good news. She cannot relate to positive change in people's lives.

There are also some things she omits, such as the family income supplement where people with dependents will be able to earn up to 80 per cent of average earnings. She does not talk about that because it speaks to helping people. It speaks to giving greater income security for people while at the same time providing them with the tools required to find work.

She also does not talk about the progressive measures that anyone can access. The five tools of the human resources investment fund were outlined by the minister. Those who have had an attachment to unemployment insurance in the past three years, UI exhaustees who were marginalized and were excluded by the unemployment insurance program, will now be part of that.

The hon. member does not want to hear the truth. She does not want to hear that we have worked very hard to build a better system. Bloc members do not want to hear the good news because their agenda is that they do not want success in this country. They want to break up the country. That is the reason.

Canadians need to face the facts. They need to face the truth about who is sitting in front of us: separatists who are not willing to accept that the employment insurance bill means positive change to people's lives; it means people will be given the opportunities to acquire the skills to re–enter the workforce. Bloc members do not want to hear that.

In reference to sustaining the unemployment insurance program, a program that has grown from $8 billion to $18 billion in less than a decade, any rational human being will say that we simply cannot sustain the type of skyrocketing costs this program has put on the taxpayers, the employers and employees of this country. Those are the facts of life.

It is a real shame that the Bloc Quebecois separatists cannot come to grips with reality as we get ready for the 21st century. They do not talk about the premium relief that is being given to employers and employees. They do not want to talk about that because it is good news. They do not want this bill. They do not want the new employment insurance bill to work. That would mean that Canada works. They have no interest in telling Canadians we are improving their quality of life. It is a real shame they cannot intellectually cope with the type of positive changes that are being implemented.

• (1030)

My question is fundamental. Is the hon. member really serious when she says that the employment insurance bill is completely flawed? Why did she omit reference to the progressive measures which exist in the bill? Why did she do that? Is this part and parcel of the separatist plot?

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I would first say that, had the government tabled its bill on unemployment insurance before the referendum, you might not have had the displeasure of having to tell us we are bothering you.

You did not dare, because all the improvements you are talking about are largely, and I underscore the word, eyewash. Sure, there are measures, and I mentioned them, but I did not mention the case of insurance, which is supposed to be unemployment insurance, which is taking on airs of family policy and is out of touch with need.

Furthermore, I—

Mr. Bevilacqua: What is your point?

Mrs. Lalonde: Had you read our minority report, you would have seen that we had a point and you would have understood that, if the government had removed the ceiling for benefits, it could have cut contributions further for all business, including small and medium business, which creates jobs.

Instead, the government chose to go with high salary employees and business, big business and high tech and capital business. So it could have helped create jobs, instead of having the imagination and the courage to create conditions to cut contributions without reducing the account.

So, instead, it opted for a position that leaves contributions high, reducing them five cents per $100. Really, for small and medium business this means nothing and for big business and high salary employees it means they no longer contribute to the common good.

I conclude by saying that the surplus in the unemployment insurance account is a hidden tax for those earning less than $39,000. They will have to pay a tax, which we might call a "special deficit reduction tax on workers earning under $39,000". It would be the truth. This is where the truth lies, in our opinion.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I find it very interesting that it has taken the hon. member for North York two years to figure out that there are separatists sitting in the House. I congratulate him.

Since the change in government in Quebec has unemployment gone up that drastically? From her speech I take it that it is running rampant in Quebec under the separatist government.

I have listened to members opposite saying what a good job the government has done in addressing the unemployment problem. All the investigations I have done indicate that the greatest employment has been created through patronage appointments.

There are two different seats of power in the country. I have not seen much of a difference in the unemployment rates. Young people in Canada are still searching for jobs. That has not been addressed. They say this tinkering will help. Since I have been here in Parliament I have noticed that when the government tinkers with programs, usually the situation gets worse.

• (1035)

My question to you is: What is the unemployment rate now in Quebec and what was it before the separatist government took over?

The Deputy Speaker: I ask all hon. members to please address their remarks through the Chair rather than to each other directly.

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I regret to inform the hon. member that the unemployment rate has dropped since the separatist government came to office. I also want to tell the hon. member that the history of poverty in Quebec is one of the main factors that, in the 1960s, made not–so–young people like myself worry about the fate of Quebec in Canada.

I know that it would take much more time than I have to respond to this, but if the hon. member is interested, I would be delighted to show him that, as you saw during the referendum campaign, there is in Quebec an important consensus among the disadvantaged, the workers, the social forces that are progressive but largely in favour of sovereignty, because many people—it went up to 49.4 per cent, as you saw—feel that the only way they can improve their lot is by taking control of their own destiny.

We know that the economic situation in Quebec has major advantages but also disadvantages that we want to deal with. We want to emphasize our assets. We want to work on eliminating our problems and we feel frustrated by government policies that do not meet our expectations in any way.

[*English*]

Mr. White (North Vancouver): Mr. Speaker, I rise on a point of order. In recognition of the way the Minister of Human Resources Development has been treating B.C. over the changes to the welfare rules, I would like to ask for the unanimous consent of the House, on behalf of the North Vancouver Riding Association, for me to present to the minister at this time its annual 1995 horse's ass award—

The Deputy Speaker: Order, please. I do not think that is a point of order. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There is not unanimous consent.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is unfortunate that the antics of a clown are allowed sometimes in the House.

In reading the motion brought by the member for Mercier and listening to her remarks, I am reminded of the old line of Winston Churchill's that "a fanatic is one who can't change his mind and won't change the subject".

What we have seen today is the ultimate act of fanaticism. It showed a total lack of touch with reality, a total distortion of the facts and a total unwillingness to agree to an exchange of reasonable dialogue or exchange of views. It is a closed mind, a reactionary mind and in many cases a misinformed mind.

That is unfortunate when one begins to talk about one of the most important and significant changes addressed in this House. The hon. member for Mercier seems incapable of dealing with legislation on its merits, on its measures, on its proposals but instead relies on the old rhetoric, the old speeches, the old lines without being in touch with reality whatsoever.

• (1040)

An interesting judgment has to be made when listening to the remarks of the hon. member for Mercier. It is a line of thought that we have heard all too often in the remarks of Bloc Quebecois members over the last two years. They have become the party of exclusion. They keep people out. They have become the party which says it cannot bring people in or widen the boundaries but in fact wants to restrict.

[*Translation*]

The Bloc Quebecois talks about exclusion. In fact, this bill is inclusive and fairer. While 93 per cent of the workforce was covered under the old UI system, 97 per cent will be included in the new system. Because of the inclusion of the new formula many people will automatically be covered by the new employment insurance system.

[*English*]

That is what is at the heart of this debate. To what extent do we provide good, effective coverage, real support for employment and a fair balancing of the need to create jobs and at the same time protect income?

Let me deal first with the most important result of this reform, which is the part time worker. We listened very carefully during the public consultations and recognized that the labour force has changed dramatically. More and more people now work on a part time basis. They deserve the same protection as everyone else. They deserve the same maternity benefits, sickness benefits, income support, help in getting back to a job and the same security that provides.

Under this program we are providing the formula that would allow half a million part time workers to gain eligibility and the Bloc is opposing it. They have taken a stand today against the rights and responsibilities of part time workers to have the full rights of every other Canadian. That is the basic position of the Bloc Quebecois. Keep half a million people out is the message from the member for Mercier. Half a million people will be denied benefits. Half a million people will not be given the right

to gain eligibility. It is incredible but understandable, considering the history of this party. It is an act of exclusion.

Let me give a very practical example. The one thing the hon. member for Mercier seems incapable of offering is actual working, practical examples of how the new regime would develop.

Today, under the existing regime, the basic rule is that if people work less than 15 hours a week they are excluded from the program. They have no opportunity to receive protection on income or maternity benefits. However, under the new regime, someone who works 14 hours a week over a normal work year period would amass a total of over 700 hours which would automatically bring that person into the scheme. It would automatically give that individual the right to maternity benefits, employment benefits and income security. The member for Mercier is opposed to those people being included. She is an exclusionist. She wants to keep people out.

Therefore, all those people who have faced what they call the glass barrier, who have had an artificial roof which stopped at 15 hours, under the prescription of this member, would be kept out. They would have no income security, no protection and no opportunity for re-employment. That is the reality and the truth of the hon. member. She is saying, time after time, "keep these people out, exclude them, keep the parameters and boundaries restricted". That is the true mind of the reactionary. That is the true mind of a person who cannot change. That is the true mind of the fanatic who is not prepared to give up her ideology for the sake of helping more people receive protection.

• (1045)

Let me give another working example, the people who now have several jobs over a period of time. Under the old regime they get credit for only the first job. They cannot make a multiple claim. Someone who works 10 weeks at 14 hours per week and then finds another job for 35 hours per week would not be included. They would not qualify. They would not get the same kind of protection.

Under our new proposal that person who has a series of multiple jobs, whether in construction or in the service industry or anywhere else, would be able to accumulate 700 hours because we are saying the key is every hour counts. As a result they would now be in the program.

Now we have an hon. member from the Bloc saying keep all those people out. Do not give them any protection. Do not give them any income security. This fixation and fanaticism we hear on the status quo, the end result is to be discriminatory.

The hon. member for Mercier is arguing for discrimination against a whole class of workers throughout Canada. As a result many people who are working part time, who do not have that opportunity, would not be given the rights to become eligible and to get the protection.

One thing the hon. member does not include is that under the new scheme if people do not get sufficient hours to qualify even though they have the right, they are entitled to a full rebate on their premiums. They do not pay it.

The hon. member is deliberately giving misinformation in the House because she refuses to recognize that all those people under that new coverage would have full rights to a full rebate of all premiums. It is a really serious charge. People in the Chamber have to ask about the veracity and credibility of a member of Parliament who makes a claim without being prepared to say what is the case.

That could only be a clear, deliberate, malicious, malevolent attempt at misinformation. Coming from that member, I am not surprised because she has been doing it for the last two years. That is the real example.

Over 1.3 million people with part time attachment would be subject to a full refund of all the premiums. That would include people now who pay into the system and get no refund. Over 900,000 Canadians who pay in and get no benefit would now be able to get a full refund of their premiums.

All the nonsense we hear from the opposition, Bloc and Reform, simply means they have not read the act. They do not know how it works and they are deliberately trying to misinform people.

There will be 32 per cent fewer people paying into the EI system than are paying now because of that refund program.

Let me talk for a moment about seasonal workers. Again the member is deliberately and maliciously trying to misinform Canadians because by going to an hour system, by allowing every single hour to count, means many seasonal workers can qualify earlier than they can now.

I was on a radio program yesterday and someone called from the construction industry. He said they work 50 or 60 hours a week. Right now under the old system all one does is get credit for a week. They get exactly the same credit as somebody who works 25 hours that week. The person does not get claim for all those hours.

Right now, if the person is working 60 hours a week, they could qualify under our program within eight, nine or 10 weeks to be eligible, and every single hour counts beyond that. Close to a quarter of a million seasonal workers will be able to extend their benefits several weeks longer as a result of the hour system than what they can do under the old system.

Once again the hon. member for Mercier is arguing for a program that would deny those workers the right to have their season extended, to get better benefits and to be given the full credit for the work they do simply because it is the ideology that gets in the way of good, sound reasoning and practical common sense.

• (1050)

That is clearly beyond the ken of the hon. member to understand. People should get full credit for the work they offer. They should be given the opportunity, the incentive, the reward and the credit when they work more hours to get full benefit as opposed to being denied that credit, as they are under the existing system.

Those quarter of a million seasonal workers who will be able to get extended benefits is another demonstration of how we are including people, not excluding people, as the hon. member has argued to keep people out and deny them their rightful due and their rightful reward.

May I also talk for a minute about the impact on families, women and children. It was interesting that the hon. member seems to have eliminated from her presentation one of the most important innovations of the program, the family benefit supplement. This ensures basic guarantee income protection for all those with families under UI. It is something that has never taken place before.

This will automatically include about 350,000 Canadian families, about 115,000 alone from Quebec. It means they will be able to achieve up to 80 per cent of their insurable earnings. It will mean that on average a single mother with two children who now is under the old UI system, under the new system will be able to receive on average 10 per cent higher benefits. Yet the hon. member condemns in a blanket statement the opportunity for us to provide better protection for low income Canadians under this program.

Furthermore, we have said in the new legislation this same worker could now work during her claim period on UI up to an additional $50 per week without having it in any way taxed back from the program. It means a person on claim can make another $50 and improve their income.

As I said, the real issue for people is income, how much money they can actually get for their families. By offering the incentive again and be able to work while on claim without have any deduction up to $50 can add another substantial portion of income to low income people.

The other exclusion put forward by the hon. member is that women who have taken maternity benefits under the old system to look after their children when they want to come back to work have no recourse. Under our new proposal they would be eligible for all the new employment benefits. They would be able to start their own business, have a training voucher, have a wage supplement, an income supplement, work on a job core program. It is a major assistance for women coming back into the workforce to get those employment benefits which up to now they have not had any access to.

Yet the Bloc Quebecois is prepared to say: "No, we do not agree with that. We do not want to help women coming back to the workforce. We do not want to give them a chance to get back into employment. We do not want to provide them with the kind of support they need".

That again is another act of exclusion by the hon. member for Mercier; deny women the right to get back in the workforce, deny women the right to have extra income protection for their families, deny women the chance to have an extra ability to make money while on claim. All those measures designed to improve the income base of women coming back into the program the hon. member for Mercier simply denies, excludes, rejects and demonstrates once again that ideology and fanaticism are her major problems, not the real point in this legislation. That is the real issue here.

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I rise on a point of order or at least to ask you to come to my assistance. There is a limit to being called a fanatic by the hon. member opposite. This has been going on for years. I ask that he withdraw his statement.

• (1055)

[*English*]

The Deputy Speaker: I ask the hon. minister to withdraw the term "fanatic". I do not think it contributes to the decorum we want to have in the House.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I was simply referring to a comment by the hon. Winston Churchill, which has been quoted in the British House of Commons on several occasions.

The Deputy Speaker: If the minister used the term "fanatic" I ask the minister to withdraw it.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I will withdraw the term under your direction and I will ask to have the matter checked and we will see whether it is properly within Beauchesne's.

It does not change the argument. It is clear the hon. member feels full liberty in the House to castigate without obstruction. If she cannot take the heat she should not be in the kitchen.

[*Translation*]

Mrs. Lalonde: Did you hear that, Mr. Speaker? That was a sexist remark.

Have him withdraw this remark, Mr. Speaker. Let me tell you I am not the only one indulging in heated arguments, here.

[*English*]

Ms. Catterall: Mr. Speaker, I rise on a point of order. The Minister of Human Resources Development was in the midst of debate. The member opposite rose. She did not rise on a point of order. She should not have been allowed to interrupt the minister. If she was allowed to interrupt, she should have very clearly put her point of order immediately and the Chair should have ruled whether it was a point of order.

Mr. Speaker, I ask you to allow the debate to continue without interruption.

[*Translation*]

Mr. Duceppe: Mr. Speaker, I am amazed to see a female colleague stand up to support a minister who is telling women to go back to their kitchens.

If this minister thinks he is Churchill, as he suggested a moment ago, let me tell you that he is so ridiculous that he is turning this House into a real circus, or rather a chicken coop.

The Deputy Speaker: I did not understand exactly the last point the hon. member for Mercier raised. I will have to check the blues. If indeed the comment was out of order, it will be dealt with later in the House.

Mrs. Lalonde: I must raise a point of order, Mr. Speaker. Thank you, Madam. I and every member of this House clearly heard the minister say something like: "If she cannot take the heat, she should not be in the kitchen".

Mr. Speaker, I formally request that he take this back. It is highly insulting and unacceptable. All women should feel insulted by this. And if it takes a point of order to get my hon. colleague, who is a woman herself, and our male colleagues to support me in asking that the minister withdraw his statement, so be it.

The Deputy Speaker: It is nearly time for oral questions. Does the minister have anything to add before we look into this matter?

[*English*]

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to resume the debate. I remind the hon. member that if she were prepared to read history more often she would realize—

Some hon. members: Oh, oh.

[*Translation*]

The Deputy Speaker: As I said earlier, we will check the blues. If a comment was out of order, we will deal with it later. For the time being, let us hear statements by members.

[*English*]

Mr. Bergeron: He should apologize.

Mr. Axworthy (Winnipeg South Centre): I am telling you the truth.

[*Translation*]

The Speaker: Welcome to the House of Commons. Dear colleagues, debate will resume after oral question period. It being 11 o'clock, the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

EMPLOYMENT INSURANCE

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I take this opportunity to say that as part of the democratic process I will be conducting a public town hall meeting tomorrow with respect to the employment insurance proposals.

This is a very important process for me and every member of Parliament to undertake. We as elected representatives must listen to our electorate and the concerns about legislation that will affect their lives directly and indirectly.

I recognize there is some concern over the intensity of work rule. We as a government must show that we are willing to listen to new options and amend legislation accordingly.

Public meetings also give us the opportunity to gauge what we are doing right. For example, the introduction of insurance benefit clawbacks for high income earners has been initially accepted and supported by various groups.

I invite all my colleagues to hold hearings to get the input of their electorate. I look forward to reporting back to the House on the results of the public meeting on this important issue.

* * *

[*Translation*]

AMATEUR HOCKEY

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, in recent weeks, an unacceptable situation has arisen in Quebec's amateur hockey. The Canadian Hockey Association is pressuring the Quebec Ice Hockey Federation to join its insurance program. The association even tried to force Quebec teams to pay an unjustified surcharge to participate in interprovincial and international tournaments.

In spite of pleas made to the government, asking it to help find a solution to the problem, Quebec hockey groups had to go to the

provincial superior court and get an injunction order prohibiting, until December 12, the Canadian Hockey Association from harassing Quebec teams. I ask the Minister of Canadian Heritage, who is responsible for amateur sport, to contact CHA officials, so that they come to their senses and stop harassing Quebec hockey officials.

* * *

[*English*]

NATIONAL UNITY

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Canada is at a crossroads. We face a profound crisis in the unity of our nation.

I vigorously seek for all politicians to return to the people's agenda instead of the political agenda. The political agenda in Ottawa seeks central power; the people's agenda services closer to home; the political agenda, decisions made by cabinet insiders; the people, decisions made by free votes that express their will; political, big expensive regulatory bureaucracies; people, the minimum intrusion that is possible; political, government will look after our needs; people, leave the tools in our hands and we will do just fine.

The crossroads for Canada looms before us. I am optimistic and enthusiastic. The people always prevail.

* * *

ONTARIO FEDERATION OF AGRICULTURE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I rise in the House today to congratulate Tony Morris on being acclaimed president of the Ontario Federation of Agriculture.

Tony has assumed a great responsibility. The OFA is the voice of Ontario farmers. Supported by over 41,000 individual members and 29 affiliated organizations, the OFA presents farm family concerns to governments and to the general public. The OFA has a long history of advocating the interest of the Ontario farm community. Though constituted in its present form since 1970, the OFA can trace its roots back to the Ontario Chamber of Agriculture established in the 1930s.

Agriculture is big business in Bruce—Grey and a major job creator and contributor to this great country of Canada. Given its importance, I look forward to working with Tony to secure the interests of Ontario farmers and rural communities in general.

Again I congratulate Tony Morris.

* * *

• (1105)

BANKS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the news is out. Canadian banks have rung up more than $5 billion in profits for the fiscal year 1995. Last year, when the same banks recorded $4.2 billion in profits, the Minister of Finance imposed a one–time temporary tax that was expected to return $100 million to the people of Canada.

Canadian farmers, small business owners, workers, students, pensioners and the unemployed have all been asked to pay more with less return during 1995. The banks can be asked to do no less. Five billion dollars in profits taken from ordinary Canadians during difficult economic times must be treated accordingly.

I call on the Minister of Finance to do as he did last year and impose an excess profits tax on the banks. The additional revenue gained in this way should be applied to job creation programs so that all Canadians, not just the banks, can share in whatever economic growth is taking place in Canada.

* * *

GUN CONTROL

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, as all members are aware, this week the crime bill received royal assent. On average one woman is killed every six days in Canada, often with a firearm at home by someone she knows. The weapon of choice in most cases is a legally owned firearm and 80 per cent of the time the firearm is a rifle or a shotgun.

A study released this week estimated the economic cost of violence against women in Canada at $4.2 billion per year. The recent passage of new gun control legislation is an important step in dealing with the problem of violence against women.

Mrs. de Villiers, the president of CAVEAT, has requested that I thank the Minister of Justice and the government for passing the gun control legislation despite the often hysterical and ill informed opposition.

The new gun control legislation will help to reduce the scourge of violence against women. However it is only a first step. More needs to be done. The government has been providing valuable leadership but all parts of society must co–operate to eliminate violence.

* * *

VIOLENCE AGAINST WOMEN

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, on December 6 the House remembered the 14 women who were murdered with an automatic rifle at l'École polytechnique six years ago.

While Parliament has taken an important step by strictly controlling all firearms, the struggle against spousal violence is far from over. Last week four women were murdered in Montreal, one of them a young mother with the Montreal police. During the summer in one week three women were killed by men in Calgary.

According to Statistics Canada, nearly one out of four wives has been assaulted at some time in her life by her spouse. This must stop. What is needed is a wide range of measures directed at both the symptoms and the causes.

All governments should copy the excellent program announced by Quebec yesterday. Let us continue to apply the same political will that we used for gun control.

* * *

[*Translation*]

QUEBEC CULTURE

Mrs. Madeleine Dalphond-Guiral (Laval-Centre, BQ): Mr. Speaker, the Prime Minister clearly told Quebecers that there is no such thing as a Quebec culture. Federalists, like sovereignists, now know that his motion to recognize Quebec's distinct nature is just a smoke screen.

Roch Demers, an avowed federalist, saw the contradiction in all this. Yesterday, he said: "If that reality, namely Quebec's culture, is not recognized, then Quebecers are right to contemplate separating from the rest of the country".

In spite of yesterday's attempt by the Prime Minister to correct his statement, Quebecers now know that there will be no true and substantial recognition of Quebec's distinctiveness.

All this reeks of bad faith, improvisation and expediency.

* * *

[*English*]

WORLD PIPE BAND CHAMPIONSHIPS

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, every August in Glasgow, Scotland, the World Pipe Band Championships are held. This year Burnaby's Simon Fraser University finished first in the elite competition.

I ask all members of the House to join with me in congratulating each of the band members for outstanding achievement and first class representation of Canada.

The pipers are Pipe Major Terry Lee, Pipe Sergeant Jack Lee, Andrew Bonar, Dani Brin, Richard Brown, Alan Campbell, Colin Clansey, Dave Hicks, David Hilder, Shaunna Hilder, Anthony Kerr, Robert MacLeod, Tamara MacLeod, Robert MacNeil, Bruce McIntosh, Bonnie McKain, Lachlan McWilliams, Derek Milloy, Pat Napper and Bruce Woodley.

The drummers are Lead Drummer J. Reid Maxwell, Blair Brown, Keith Clark, Callum Hannah, Karen Hinchey, Kathy MacPherson, Scott MacNeil, John Nichol, Colin Nicol, Roland Reid, Christine Rickson and Dan Weeks.

These are true world champions.

• (1110)

[*Translation*]

JAPANESE BULLETIN

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, I would like to call attention today to the 50th anniversary of the *Japanese Bulletin*, a Canadian community newspaper which is published in Japanese, French and English. May I take this occasion to congratulate those responsible for their services to the Montreal Japanese community.

The existence of such a paper demonstrates the importance of learning and the rich contribution made by foreign languages to Canada on both the economic and the cultural levels.

[*English*]

For half a century journal volunteers have worked to bring their community closer together, to help immigrants adapt to Canadian society and to assist their members in addressing the social needs of Japanese Canadians in the Montreal area.

Japanese Canadian readers of the *Bulletin* are diverse, comprising third and fourth generation Canadians and obviously recent immigrants.

[*Translation*]

Again, my congratulations to those who are behind the *Japanese Bulletin* and my best wishes to this most interesting publication for a long life.

* * *

[*English*]

STUBBLE JUMPERS

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, November 1995 saw an enthusiastic group of actors take to the stage in Prince Albert. Produced by Saskatchewan's newest musical production company, Destiny Productions, delighted Prince Albert audiences enjoyed the world premier of "Stubble Jumpers", a Broadway quality production.

"Stubble Jumpers", a great story about Saskatchewan boys heading off to fight for Canada in the second world war, is destined to become one of Canada's greatest musicals.

The book, music and lyrics were written by Prince Albertan, Reverend Roy Benson. Another Prince Albertan, musician Rich Miller, assumed the role of arranging and musical director. The rest of the creative team consisted of artistic director Darryl Lindenbach, choreographer Gillian Horn and Carole Courtney as vocal coach.

At a time when Canadian unity is being questioned, let us pay tribute to the men and women who fought and sacrificed on behalf of a united Canada.

"Stubble Jumpers" is a great new musical. Broadway has come to Prince Albert and Prince Albert will end up on Broadway.

* * *

HIGHWAY 416

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, this morning the funding arrangements for completing highway 416 were made public at a press conference in North Gower.

The remaining 60–kilometre link to highway 401 is due to be completed before the end of the century. This important link will contribute greatly to our regional economy, as well as make for a safer and more pleasant drive than on the existing road, as my colleague here will attest.

I am very happy to see that the federal and Ontario provincial governments have come to an agreement on this project and that the political wrangling that had surrounded it is now a thing of the past.

The construction of this final section of the highway will create approximately 2,200 jobs and will contribute to our economic growth.

Job creation and economic growth are some of the goals the government set for itself during the last election campaign. This proves that in co–operation with other governments we are living up to our promises.

* * *

[*Translation*]

PRIME MINISTER'S PROPOSALS

Mr. André Caron (Jonquière, BQ): Mr. Speaker, this morning we learned from a SOM survey that Quebecers are not swallowing the constitutional crumbs the Prime Minister is throwing them. Whether it is his feeble definition of distinct society, his veto right, which is not one at all, or his promise to make federal interference in areas of provincial jurisdiction more discreet, to Quebecers, it is nothing but the typical federal smoke and mirrors.

Yes, two thirds of Quebecers are dissatisfied with the Prime Minister's proposals. The federal proposals are being rejected by Quebecers, regardless of their region. Quebecers are nobody's fools.

This survey was carried out before the government's announcement that the number of regions to which the Prime Minister wants to give a bogus constitutional veto would be raised from four to five. This latest improvisation confirms the people of Quebec's judgment of the Prime Minister's proposals.

[*English*]

NATIONAL UNITY

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, during the 1993 election campaign the Prime Minister said: "I have the people and I have the plan". The unity debate and the Prime Minister's handling of it clearly show that he has no plan. Everything from constitutional vetoes to distinct society status has been a stumbling, fumbling exercise in futility.

The Prime Minister is telling Quebecers that his version of distinct society will make them unique and special, while at the same time he is telling the rest of Canada not to worry, that it does not really mean much. His performance reminds me of the movie "Batman Forever", with the Prime Minister playing the part of the infamous Two Face.

We must stop thinking of our country as two of this or two of that and start focusing on the truly distinct concept of equality for all Canadians.

• (1115)

After listening to the Prime Minister's plans to offer a constitutional veto to Quebec, then to four regions of Canada, and today to Quebec, three regions of Canada and British Columbia, he is beginning to sound more and more like The Riddler.

The Speaker: My colleagues, just in case it has not been brought to your attention before, many times when we are on camera the other microphones pick up what is being said around the member who is speaking. I thought I should remind you of that.

* * *

[*Translation*]

HIGHWAY SAFETY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, during Safe Driving Week and as the holiday season gets into full gear, I again feel obliged to remind my fellow citizens and my fellow members of the dangers that await us on the road.

We can never be too careful, and the slightest slip while at the wheel can lead to tragic consequences. The most sure way of protecting ourselves is by wearing our seatbelts. Hundreds of lives are saved in Canada every year by seatbelts, an encouraging figure, but not enough when some drivers are still not buckling up.

In speaking to you today about highway safety, I know of what I speak. About a year ago, I was involved in a head–on collision which could have cost me my life. I escaped the worst by being buckled up.

TRANSFER PAYMENTS

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, after hearing the statements under Standing Order 31 by Bloc members, who were complaining that it was not enough, and the Reform members who said it was too much, I would think that the Liberals were very much the happy medium.

Yesterday the Quebec Minister of Finance made a statement at a press conference to the effect that Quebec will be able to balance its budget thanks to increased payments from Ottawa, of all places. The equalization payment program and the Canada assistance plan have added $268 million to the federal transfer payments to Quebec this past year.

It is, however, deplorable that the minister took advantage of her press conference to seek to downplay the value of those programs by comparing them to poverty traps and taxes on development. If one had to apply the minister's logic to the insurance field, we would end up with an insurance plan that paid victims of accidents but to which people would stop contributing—

The Speaker: I am sorry to interrupt the hon. member, but we must move on to oral questions.

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC CULTURE

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, after watching the Prime Minister telling all and sundry that his resolution on Quebec's distinct identity would provide guidance for the government's actions and would produce tangible results, we saw the Prime Minister show his true colours on Wednesday, when, as if by magic, Quebec culture no longer existed.

Considering the spontaneity of his statement on Wednesday, Quebecers were not fooled by his about face the next day. They know exactly what the Prime Minister is thinking.

My question is directed to the Deputy Prime Minister. Considering that the government deliberately ignores the fact that Liberal members on the heritage committee are hunting down heretics who mention Quebec culture, does the Deputy Prime Minister realize that by doing nothing, the government has become an accomplice to this witch hunt?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think that this week the Prime Minister explained very well the nature and importance of Quebec culture, especially for the survival of French culture in Canada. We are very much aware of that.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, it seems that the arts community, including Roch Demers, a diehard federalist who campaigned for the no side, does not understand the Prime Minister, or should I say, understands him too well.

Earlier the Prime Minister explained that he did not intervene in the case of the heritage committee because he respected freedom of speech. That is what he said yesterday.

What explanation does the Deputy Prime Minister have for the fact that in this case, the government respects freedom of speech, but when the Liberal member for Notre–Dame–de–Grâce publicly challenged the Prime Minister, he was gagged by being forced to step down as chairman of the justice committee? Is there a double standard?

• (1120)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, what I find rather surprising about the hon. member's attitude is that last week, the immigration critic attacked the Liberal government's immigration policy but remained silent about certain comments made by Mr. Bourbeau. So if he does not like certain comments, he should say so.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the Deputy Prime Minister surprises me. Perhaps she should realize that Mr. Bourbeau is not a member of the Bloc Quebecois and that the member for Notre–Dame–de–Grâce, since we cannot refer to him by name, is a member of her party. It seems to me there is a difference, but perhaps it would be too much to ask the Deputy Prime Minister to make those distinctions.

Since a substantial majority of Quebecers feel that the offers made by this government are clearly inadequate, will the Deputy Prime Minister admit that Quebecers have seen through these so–called promises of change and will not be fooled by cosmetic changes like the resolution on distinct society, which in fact changes nothing because it does not say anything concrete or practical or even theoretical, when it comes down to it?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, on the subject of criticizing the comments of others, I am still waiting for the members of the Bloc Quebecois to criticize what their own leader said about the role of women to bear white children in Quebec. That was never criticized by the Bloc members. When Liberal members make comments, at least we can say their leader did not decide to involve women in a policy to keep Canada white.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, recently the Minister of Canadian Heritage changed the legislation

governing his department. It now denies the existence of Quebec culture. Section 4(1) describes the minister's powers and clearly talks of a single Canadian identity and culture.

My question is for the Minister of Canadian Heritage. Given the government's claims that its resolution on Quebec's distinct nature will guide its actions, does the Minister of Canadian Heritage intend amending his department's legislation to include a reference to Quebec's culture?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, we will have an opportunity on Monday, at our next meeting, to speak to the existence of a Quebec identity and a Quebec cultural identity, before the House of Commons. At that point I will look to see whether my colleagues opposite rise in support of the uniqueness of Quebec culture. They may remain seated; I shall rise.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, we are now used to the minister's contorted answers, but I must say this last one was a real humdinger.

In refusing today to amend his legislation, is the minister not proving the emptiness of his government's motion on the distinct society and the fact that it is worth less than the paper it is written on?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, nothing could be clearer than a vote on a unique Quebec culture. I will see on Monday how my colleagues will vote in recognizing it. If they remain seated, it is because they do not recognize it. I will be voting in favour.

* * *

[*English*]

THE CONSTITUTION

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I want to ask about the unique culture of the Liberal government. Yesterday morning the government's veto bill, Bill C–110, gave two provincial premiers a veto over the Constitution. This morning it gives four provincial premiers a veto over the Constitution.

After limiting debate in the House on the first day of debate, after limiting committee hearings to two days and giving witnesses 24 hours notice, the government now informs us it wants to make a major change.

My question is for the intergovernmental affairs minister. Will the government admit that it should properly consult Parliament, affected parties, experts and Canadians and that the appropriate thing to do is to withdraw Bill C–110?

• (1125)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in fact the government was listening to the advice of the leader of the Reform Party, who only a few days ago in the House said that we should extend a veto to the fifth region and that the fifth region should be British Columbia.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, if the government calls that listening, it was not listening very carefully. We suggested that it is the people of Canada who should have a say; the provinces already have a say.

The government has just made a major change to a one clause bill. It has admitted that there are unclear legal issues surrounding the bill and it may be challenged in court.

If the government will not withdraw Bill C–110, will the government at least commit to the House that it will not bring in further time allocation, not further limit debate and give Canadians a chance to consider these issues?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to restate that when the leader of the third party gave advice to the House about the recognition of a fifth region for the purposes of a veto, a statement which he made on November 29, 1995, what the Prime Minister did was to respond to good advice from the leader of the third party.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, this is an incredible exercise in the power of listening. I will say once again that what the Reform Party and the leader of the Reform Party said was that the government should consult the people of all the regions of Canada, not the legislatures and the premiers.

The government has come up with a new definition of unity: We are going to unite Canadians by getting them all against something at the same time. The bill has been rejected by the Government of Quebec and in polls of the people. It has been rejected by the Government of British Columbia, even with the change, and by the Government of Alberta. It has created a firestorm across the west. Aboriginal representatives say they were not consulted. The Government of Saskatchewan said it was not consulted.

Who exactly is it that the government believes it is pleasing with this legislation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I fear that the hon. member from Alberta is suffering some political amnesia. In the last seven days, in the course of this debate, the leader of the third party rose in the House to speak on this issue. I would like to read what he said into the record because I think the hon. member from Alberta is now—

Mr. Tobin: He is swallowing himself whole.

Ms. Copps: —swallowing himself whole, to quote another member of the government.

The quote reads: "The government has not given priority whatsoever to the concerns and aspirations of British Columbia, the third most populous province in the country. B.C. is not recognized by the government as a region in its own right. The government is prepared to recognize Quebec as a distinct society. When is the government prepared to recognize B.C. as an important province of Canada?"

That is why the Prime Minister, following good advice which he received from the leader of the third party and good advice which he received from members of the Liberal caucus and others, has amended the bill to make it a better bill.

* * *

[*Translation*]

COPYRIGHT

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

On December 22, 1994, the heritage minister and his industry colleague issued a joint press release stating that a bill to amend the copyright legislation would be tabled in the House as early as possible in the new year.

Could the heritage minister confirm that the copyright bill will indeed be tabled before the December 15 adjournment, that is to say within the next seven days?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague does not like to be kept in suspense. I indicated that the bill in question was on a critical path. It still is, and it is making headway. In due course, the bill will be tabled in the House.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I suggest that the minister is the one on a critical path.

Does the minister not realize that, according to the Society of Composers, Authors and Music Publishers of Canada, this regulatory vacuum resulted in losses of $300 million this year because of private copying and that his inaction is sending the message that the future of our artists is a matter of supreme indifference to him?

• (1130)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, perhaps our colleague has closer ties to the arts community than I do, but I certainly get their message loud and clear. I do not need to go through him to consult with them. I hear them, I listen to them and we will act in their best interest.

[*English*]

BRITISH COLUMBIA

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I congratulate the Minister of National Revenue, our minister from British Columbia, on his new found influence with cabinet and the Prime Minister.

Will he now try to achieve distinct society status for British Columbians?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am glad the member has acknowledged the very important work of the minister from British Columbia, working behind the scenes as we promised in the House he would do.

I can understand the obvious embarrassment of the Reform Party because only about a week ago its leader was in the House seeking the right of veto for British Columbia, not for Alberta.

In a very positive way we have tried to respond to his concerns and in particular to the very sound recommendations given by the minister from British Columbia to the Prime Minister, who ultimately is seeking the approval of the amendment.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I think the non–answer from the non–minister will probably reflect the non–votes for the Liberals in the next election in British Columbia.

My supplementary question is for the Minister of National Revenue. Given the short shrift British Columbians have had over the years with the closure of Royal Roads, the closure of base Chilliwack, the KAON project, the welfare fiasco of recent times, et cetera, will the minister with his new found influence try to move the government away from knee–jerk reactions toward meaningful action?

The specific one is the west coast fishing strategy, fishing licences and fishing quotas. Will the minister move toward making them fair and non–discriminatory because he understands what is going on in British Columbia?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, when I hear the word knee–jerk coming from this member, the emphasis ought to be on the latter part of that description in referring to the member.

Some hon. members: Oh, oh.

The Speaker: I ask the hon. minister to withdraw that.

Mr. Tobin: Mr. Speaker, absolutely.

The Speaker: I accept that. Would the hon. minister like to answer the question?

Mr. Tobin: Absolutely, Mr Speaker, out of deference to you, the House and all the goods knees in the world.

• (1135)

Yesterday in Vancouver in beautiful British Columbia, while the member was here trying to figure out ways to make the federation fail, we were meeting with 80 representatives of the British Columbia fishing industry, trying to work toward ensuring the federation succeeds.

We believe that when people from coast to coast work together, speak together, listen to one another and build together, Canada is a better place. In working together, we will build the country. To the hon. member and his party, they cannot fulfil their political ambitions by trying to climb up on the broken pieces of Canada. It is time to stand up for the country instead of tearing it down.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

As a result of the measures proposed in the minister's bill, UI coverage for workers will be reduced even further. In 1990, 77 per cent of unemployed workers qualified for UI. This proportion has since dropped to less than 50 per cent, and the minister's reform will reduce it even further.

Does the minister not agree that, as the Canadian Labour Congress pointed out in its analysis of his reform, the new UI program will protect only one out of three unemployed workers?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, both the hon. member for Mercier and the CLC are dead wrong in their analysis.

The proposed changes to the program substantially expand coverage. We will be expanding coverage for half a million people who are presently part time workers. We will be extending coverage for seasonal workers by using an hours system so that they can establish eligibility earlier and have longer benefits. We will be extending the coverage of employment benefits for people who have presently exhausted their programs so that they can get back to work.

The net result is to give people a lot more opportunity to return to work, to get credit for the work they are doing and as a result achieve the most important objective, to give people real support in getting a job.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, if the reform did not include an additional major obstacle in that workers will be required to work a minimum of 910 hours in one year in order to qualify for UI, there could be a semblance of truth to what the minister is saying.

Does the minister not agree that—

Some hon. members: Oh, oh.

The Speaker: Dear colleagues, I would ask you to please choose your words very judiciously.

Mr. Duceppe: That is very judicious.

Mrs. Lalonde: Mr. Speaker, does the minister not agree that the main reason why 500,000 part time workers were included in the program is to require them to pay premiums even though most of them will never be eligible to benefit?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as we pointed out in an earlier exchange, the hon. member has omitted a very important part of the program. Those workers are also eligible for a major refund of all premiums if they do not become eligible.

About 1.3 million part time workers are eligible for a full refund of all premiums paid. As a result, many will be paying less than they do now under the old system.

Once again it points out that when simply trying to defend the status quo, they are totally immune and incapable of understanding the real positive pluses that come by making good, substantial, balanced, equitable reform.

* * *

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the parliamentary secretary to the health minister is a physician from B.C. Some of her colleagues have just built a brand new clinic there. It is innovative and something to be proud of.

Because of her minister, however, that clinic is unavailable to B.C. residents; only to foreigners. Does the parliamentary secretary have any difficulty telling her neighbours waiting in line in pain they cannot access that clinic because of her minister's policies?

• (1140)

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I do not know how often we have to say this in the House, but there is a Canada Health Act. It works on the five principles of medicare, guiding principles for the

country. Eighty–nine per cent of Canadians, especially British Columbians, support that.

When any province sets up any sort of clinic or anything which contravenes the Canada Health Act the government will act to take whatever steps are necessary to stop it.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I would like to quote a physician:

> Governments which willing undertook the responsibility for funding medicare when there was political mileage to be gained are now reluctant to accept the concomitant financial burden. They try to weasel out of their promise.
>
> The honest alternative would be for governments to confess to the public that they no longer can, or wish to fund medicare.

Those words should be eerily familiar to the parliamentary secretary. They are published words of hers in a 1990 B.C. journal of medicine.

The Speaker: Questions in question period should relate to the policy or administrative area of a minister or parliamentary secretary.

The way the question is phrased I judge to be out of order. However, I invite the hon. member to rephrase his question.

Mr. Hill (Macleod): Simply, Mr. Speaker, what changed the parliamentary secretary's mind?

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I think the hon. member is presuming many things. My mind has always been clearly fixed on the Canada Health Act and the five principles of medicare. Nothing since, before or during my life as a physician has ever changed that.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Finance.

The economic and financial update released yesterday by the minister indicates that the government could have lowered UI premiums to $2.93 for every $100 of insurable earnings and still have collected the whole amount set in the 1995 budget. Yet, the government decided to set the premium at $2.95.

Will the minister recognize that he could have lowered UI premiums to $2.93 and still have met his 1995 budgetary objectives?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is customary to do what we call a rounding off of these premiums. It is clearly the case here, given the minimal difference between $2.93 and $2.95.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, since the minister said in his document that these premiums could have been lowered to $2.93, I assume he could have done it. But given the minister's estimation that lowering premiums by seven cents, in 1995, would result in the creation of 40,000 jobs, will he recognize that, by refusing to lower these premiums by two cents, down to $2.93, he is sacrificing, based on his own calculations, 12,000 jobs?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first, the Minister of Human Resources Development clearly said that it was our intention to build a reserve, so as to preserve jobs should an economic decline occur. Indeed, we are well aware that the worst thing that can happen in a period of economic decline is to be forced to raise UI premiums. This is why we are building up a reserve and why we put the UI fund back on its feet by pouring $6 billion into it, over a period of just two years.

The hon. member is absolutely right when he says that lowering UI premiums helps create jobs. This is why the minister lowered the rate, for a total amount of $1.25 billion. This is the way to create jobs.

* * *

• (1145)

[*English*]

BANKS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the Secretary of State for International Financial Institutions.

The banks have reported profits of over $5 billion. In that same period of time, they have raised service charges and also reduced the number of people that serve the general public. What is the secretary of state doing to protect consumers from this oligopolistic practice?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, that is a question in which a large number of Canadians have an interest.

The government believes that consumers are best served by an environment where financial institutions compete for business and where consumers have access to adequate information.

With regard to service charges, federal financial institutions have to disclose all fees applicable to an account at the time of opening an account. When there is a change in any fees they must give at least 30 days' notice. That is a requirement of federal legislation. I understand that Canadian banks charge substantially lower service charges than U.S. banks for comparable services.

The government is also working with the provinces to improve the consistency of legislation on the cost of consumer borrowing so that the consumer will have better information.

Finally, in our financial institution legislation that is going to be reviewed, we are looking very carefully at consumer issues.

* * *

GRAINS INDUSTRY

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, results of the Alberta plebiscite on wheat and barley marketing are crystal clear. Two–thirds of Alberta producers voted in favour of having a dual marketing system, with the freedom to choose to market through the Canadian Wheat Board or outside of the board.

Would the Minister of Agriculture and Agri–Food tell the House if he agrees with the majority of Alberta farmers that choice for marketing of wheat and barley is a step forward? A yes or no answer would be appreciated.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, it is interesting how the Reform Party seems incapable of understanding answers that amount to more than one or two words. I hope the hon. member will bear with me while I respond to his question.

As everyone knows, a plebiscite with respect to wheat and barley marketing was conducted recently in the province of Alberta. That plebiscite is not without some considerable controversy. I note that some farm leaders in Alberta, some agricultural reporters in Alberta, some pollsters in western Canada have all raised what appear to be serious questions about the process.

Approximately 16,000 producers participated in the process, out of perhaps 30,000, 35,000 or 40,000 who might have participated in the process. I point out again that this single vote within one province, on an issue that affects all of western Canada and as many as 130,000 prairie farmers, is obviously not a process that can be definitive with respect to this issue across western Canada.

The Government of Canada has established a process to deal with this issue in an orderly and logical way. That is the Western Grain Marketing Panel. It is very well known. I would urge all prairie farmers, including all of those in Alberta, to participate fully and fairly in the Western Grain Marketing Panel.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, farmers are not dumb. Maybe a lawyer thinks they are, but farmers understand very well what the question was and what it meant.

The minister has been pinning all of his hopes on the Western Grain Marketing Panel. In a statement he has slammed the producer vote as being merely academic. He has no respect for farmers who democratically expressed a common sense position.

Why is the minister insulting the intelligence of farmers by thumbing his nose at the clear message he received from over 16,000 plebiscite participants, 16,000 voters?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, again I point out to the hon. gentleman that those votes represent about 12 per cent or 15 per cent of the total number of farmers affected by this process.

The arrangement that the Government of Canada has put in place in order for this issue to be fully ventilated in western Canada is a logical and orderly process. It will provide farmers through the Western Grain Marketing Panel with full, fair, balanced, accurate information about all of the issues respecting grain marketing in the west.

• (1150)

It will also provide farmers with the opportunity to debate all of the issues related to grain marketing in a way that is totally transparent, with all the facts on the table. They can consider not only the pros of the marketing debate but also the cons and the consequences so that this issue can be dealt with fairly in the interests of all western Canadians.

* * *

[*Translation*]

HUMAN RIGHTS

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

A Canadian citizen, Tran Trieu Quan, has been a prisoner in Vietnam for close to two years now, despite the fact that the Canadian government believes he is imprisoned on trumped up charges. The Prime Minister promised to look into the case personally upon his return from Vietnam in November, 1994.

What explanation does the Deputy Prime Minister have for the fact, that more than a year after the Prime Minister's Asian mission, the situation remains unchanged, despite a recent commitment by the Minister of Foreign Affairs, and Mr. Tran Trieu Quan still remains a prisoner in Vietnam?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the treatment of the gentleman in question is, of course, unacceptable to the government of Canada. That is why the Prime Minister himself raised the issue, as did the Minister of Foreign Affairs. We continue to tell the government of Vietnam to respect the fact that this Canadian citizen must be released, because the present position of the government of Vietnam is not reasonable.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, considering the lack of success of government interventions to date, does the Deputy Prime Minister intend to ask the Prime Minister to personally bring up the case of this Canadian citizen with the authorities in Hanoi once again and to demand his immediate release?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I believe that the Minister of Foreign Affairs, when asked this same question some weeks ago, gave his word that he was pursuing this matter at the highest diplomatic level possible.

You can be sure that the Prime Minister himself, having been involved in this case, continues to be concerned, and wishes to do his utmost to continue pressures on the government of Vietnam.

* * *

[*English*]

FISHERIES

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, during my recent visit to Atlantic Canada I heard a lot of criticism of the Tobin tax. One criticism above all the rest is that fishermen are distressed that the licence fees are to be based on gross landed value rather than on net profit. The minister knows very well there is a large difference between gross and net profit.

Is the minister going to listen to fishermen on at least this one small point and ensure that fees are based on net profit, not gross landed value?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, during the member's visit to Atlantic Canada he certainly was able to generate some reaction from the fishermen, there is no doubt about it.

The executive director of the Maritime Fishermen's Union in reference to the member opposite said words to this effect: Please take your garbage back where it came from. We are not interested in your politics of division. The president of the fishermen's union, a Newfoundlander, Earle McCurdy, in essence said to the member that they are not going to be fooled by these crocodile tears and they certainly will not accept a wolf in sheep's clothing.

Yes, the member made quite an impression on the fishermen of Atlantic Canada and yes, they have an inordinate amount of common sense in dealing with the kind of nonsense proposed opposite.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, it is easy to see this minister gets high on his own exhaust.

I have in my possession a Department of Fisheries and Oceans document which shows that not only is the minister proposing a $50 million tax grab in 1996, but more startling is planning to increase this by a further $20 million in 1997. This will mean that Canadian fishermen will be faced with a $70 million tax bill in 1997.

When is the minister going to start listening to fishermen instead of the self–serving bureaucrats in his department who are advocating this tax so that they can preserve their own jobs?

• (1155)

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it takes a special kind of stamina, one that is clearly exhausting this member's credibility, to stand in the House to ask these kinds of questions.

This is the party—

Mr. Hill (Macleod): You are exhausting.

Mr. Ramsay: When are you going to take the billboards down, Brian?

Mr. Tobin: Listen up, fellows. You might learn something for a change.

This is the party whose leader went to Atlantic Canada and said that it only takes 90 seconds of study to know that the fishery is finished. This is the party that complained about the EI reform which is now under way because the cuts were not deep enough. This is the party that said of the TAGS program, which assists tens of thousands of fishermen who have been hit by the fisheries failure, that the program ought to be cancelled. This is the party whose obvious lust at a shot in a byelection in Labrador has driven it beyond the bounds of decency and common sense. This is the party that will be slam dunked in that byelection with the kind of negative results it deserves.

* * *

TRADE

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, when one listens to what comes across the floor of the House, Canadians might get the feeling that Canada is not doing so well in export markets.

I would like to ask the Minister for International Trade if he could share with the House Canada's performance in international trade and demonstrate clearly to Canadians how we are winning markets every day.

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, in the first nine months of 1995 Canadian merchandise exports grew by 20 per cent, compared to the same period last year. Exports to the United States rose 17 per cent, but the United States is far from our fastest growing market. Sales to Latin America, including Brazil, have increased by some 29 per cent, to Japan by 32 per cent, to the European Union by 42 per cent, to China by 44 per cent and to all other Pacific nations by 47 per cent.

In 1992 our exports amounted to only 26 per cent of our gross domestic product, but today exports constitute 37 per cent of our gross domestic product.

* * *

[*Translation*]

AIR TRANSPORT

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

On October 30, Canadian Airlines International stopped all its international flights originating in Montreal, preferring to concentrate its operations in Toronto. As a result, Montreal and its very substantial Italian community are deprived of direct connections with Rome. The minister's policy for awarding international routes prevents other carriers from offering this service.

Since Canadian Airlines International no longer offers a service from Mirabel, would the minister agree that his policy for allocating international air routes is discriminatory, since it deprives Montreal of direct connections with all countries for which Canadian has been given exclusive access?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I agree that our policy for allocating international routes has had the exact opposite effect of what the hon. member wanted.

I realize this is a drawback. The hon. member will probably say so in his supplementary. When Canadian Airlines International decided to stop their service from Mirabel, at the same time, and I am sure the hon. member was aware of this, Alitalia, the Italian airline, made the same decision. The problem at Mirabel is that there is not enough passenger volume to support a service either by Canadian Airlines International or Alitalia.

• (1200)

What we are trying to do, and negotiations are now under way, is to see how we can solve the problem so as to provide an adequate service from Mirabel to Italy.

* * *

[*English*]

IMMIGRATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, as this government continues its adversarial approach with the western provinces over the transfer of federal funds, it ignores the gross inequities it has created through the Canada–Quebec accord.

Under the accord the province of Quebec receives $90 million a year, 35 per cent of all federal funds being transferred for the settlement programs for immigrants and refugees when Quebec is currently only taking 12 to 13 per cent of the immigrants and refugees.

If the government is going to continue the funding program, will it consider renegotiating the Canada–Quebec accord so that the money is going to the provinces that are receiving the immigrants and refugees?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, first I want to thank the member for giving me the opportunity to say how our federal system works. The immigration accord between Quebec and Canada is proof that we can have agreements between provincial and federal governments to make this country work.

Concerning the other provinces, the minister is open for discussions. There are discussions going on and I am sure that when the minister returns to the House he will give a detailed answer to the member.

* * *

GOODS AND SERVICES TAX

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister of Finance.

In the infamous red book there is a promise by those who were running for government that they would eliminate the GST. The Prime Minister last summer stated that in the February 1996 budget the government would outline a replacement for the GST. No mention was made on Wednesday by the Minister of Finance of GST reform in his finance minister's economic and fiscal update.

Is it still the intent of the Minister of Finance to tell the people of Canada how he is going to recommend eliminating the GST?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the government's undertaking in terms of the GST is to obviously have a system that is fairer to consumers and which is easier to administer.

The government has stated that following the desires of Canadians it is our wish to harmonize and to have a single tax, a single base. We are in the course of discussing this with the provinces. Undoubtedly it will come up at the meeting of the federal–provincial finance ministers next week.

I would have been prepared to have discussed it in the fiscal statement. The purpose of the fiscal statement was to give an economic update on the state of the economy since the last budget which is why I did not deal with it and I was not questioned on the matter.

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of members the presence in the gallery of His Excellency Marcello Nunes de Alencar, Governor of the State of Rio de Janeiro.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I wish to bring to the attention of the House a question asked earlier during question period by a member of the Reform Party, the member for Nanaimo—Cowichan, to the hon. Minister of National Revenue but in a different capacity.

Citation 412 of Beauchesne's states quite clearly in regard to such questions:

> A question may not be asked of a Minister in another capacity, such as being responsible for a province—

The question was asked in contravention of our rules and it was allowed to be asked uninterrupted. I realized that afterward when another member rose to ask a question which was similarly against our rules and that member was ruled out of order.

I would want to report to the House and to suggest to Mr. Speaker that the question asked of the hon. Minister of National Revenue was equally out of order. Therefore it should have been indicated at that time so that all Canadians would know that the minister was unable to answer the question because of the rules of the House which specifically prevent him from doing so.

● (1205)

The Speaker: The hon. government whip raises a perfectly valid point of order.

In listening to the question and not to whom it was directed, it dealt with an issue that is seizing the House right now, the government veto, and I thought it was proper for that time. The hon. government whip did note that on another occasion I declared another question out of order. Because it dealt with the veto and because the Deputy Prime Minister in her wisdom thought she would like to answer it, I permitted it. However I take this under advisement. I thank the hon. government whip for raising the matter.

MEMBER FOR NORTH VANCOUVER

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I too want to bring to the attention of the House a statement and an action by the member for North Vancouver before the Minister for Human Resources Development started speaking.

I believe you will find that the member for North Vancouver used unparliamentary language. In addition, citation 501 of Beauchesne's states:

> Speakers have consistently ruled that it is improper to produce exhibits of any sort in the Chamber. Thus during the flag debate of 1964, the display of competing designs was prohibited. At other times boxes of cereal, detergent and milk powder have been ruled out of order.

Mr. Speaker, I think you will find and in fact I believe you observed that the member for North Vancouver produced a trophy of the rear part of a horse and presented it to the minister. At the same time he referred to the minister with the words referring to that part of the equine anatomy.

The Speaker: Order. My colleagues, the first point the hon. member brought up is the use of props. I have asked hon. members on numerous occasions to please not use props. I have asked this of members on all sides of the House. We are equal in here. We are members of Parliament.

Once again I appeal to you that even though you quote from papers, there is no need to hold them up or shake them. I believe that our words stand on their own. I take the point and reiterate to the House, please do not use any props.

With regard to the other point about the horse, forgive me but I did not see the use of the prop and I did not hear the words used. With regard to the words, I will check *Hansard* and if it is necessary, I will get back to the House.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I felt it was a perfectly reasonable point of order I raised earlier. All I asked for was the judgment of the House under the circumstances—

Some hon. members: Order, order.

An hon. member: Read the book.

The Speaker: Order. I am going to close this matter off right now. Are there any other points of order? There being no other points of order, we will proceed to the daily routine of business.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

• (1210)

[*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 108th report of the Standing Committee on Procedure and House Affairs regarding questions concerning the role of the Senate and its interference with Bill C–69, an act to provide for the establishment of the electoral boundaries commissions and the readjustment of electoral boundaries.

INDUSTRY

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, I have the honour to present the 11th report of the Standing Committee on Industry on Bill C–88, an act to implement the agreement on internal trade, with amendments.

FISHERIES AND OCEANS

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Fisheries and Oceans on Bill C–98, an act respecting the oceans of Canada. As vice–chair of the committee, I would like to extend my thanks to the members of the committee for their hard work in connection with this bill. It demonstrates the kind of co–operation we have received in this instance.

* * *

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. This petition has been signed by a number of Canadians from Winchester, Ontario.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

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, or the aged.

FETAL ALCOHOL SYNDROME

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition has to do with fetal alcohol syndrome. This petition has been signed by a number of Canadians from Guelph, Ontario.

The petitioners would like to bring to the attention of the House that consumption of alcoholic beverages may cause health problems or impair one's ability and specifically that fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore pray and call upon Parliament to enact legislation to require health warning labels to be placed on the containers of all alcoholic beverages to caution expectant mothers and others of the risk associated with alcohol consumption.

YOUNG OFFENDERS ACT

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I am pleased to present two petitions today, both on the same subject from constituents in my riding of Parry Sound—Muskoka.

My constituents call upon the government to change the Young Offenders Act and to strengthen certain provisions thereof.

INDIAN AFFAIRS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I wish to table two petitions today, both on the same subject concerning the taxation of native Indians. The petitioners also ask Parliament to halt land claim negotiations and ensure that one and the same law applies equally to all Canadians.

GOVERNMENT CONTRACTS

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I rise today to present two petitions from my constituents of Annapolis Valley—Hants.

The first petition signed by 30 of my constituents deals with the government household moving service and the need to continue with a policy of dividing the furniture moving business between independent movers on an equitable basis.

The petitioners call upon Parliament to resolve to veto any proposed change to the tendering process of the Department of National Defence and to support the present system of tendering.

BOVINE GROWTH HORMONE

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, the second petition is signed by 211 constituents calling upon Parliament to take steps to keep the synthetic bovine growth hormone out of Canada through legislating a

moratorium or a stoppage of the BGH use and sale until the year 2000. These constituents further call for an examination of the outstanding health and economic questions through an independent and transparent review.

* * *

• (1215)

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 the questions be allowed to stand.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

POINT OF ORDER

ALLEGED COMMENTS OF MINISTER OF HUMAN RESOURCES DEVELOPMENT—SPEAKER'S RULING

The Deputy Speaker: Before recognizing the minister, I must inform hon. members that I have had time to check the blues. I think it is quite clear this is a point of order. The minister said—it is in English unfortunately—that "if she cannot take the heat, she should not be in the kitchen".

As you know, this was an expression used by Harry Truman. It seems the expression is not equally familiar in both languages, but it is an expression.

With our colleagues, we understood it to mean that women should stay at home, or something like that. I just spoke to our colleagues—I think they were not in the House at the time—and we agree it was a misunderstanding. There is no indication, as far as I can see, that the minister said anything against women or hon. members of the female sex.

I also looked at what was said by all members, and I do not think there were any insinuations against women members, as far as I can see. I want to thank all members for raising this point, and we can now proceed with questions and comments.

[*English*]

Ms. Catterall: Mr. Speaker, I rise on a point of order. I believe the minister was in the middle of debate on the motion before the House but was interrupted by a point of order and therefore did not complete his allotted time. I trust his time will not be diminished by the time taken for points of order and that he will be allowed to continue so that we may proceed to questions and comments.

The Deputy Speaker: I am told by the Table the minister's time had expired for his intervention. Accordingly, we are into questions and comments.

Ms. Catterall: Mr. Speaker, I request clarification as to whether the time allotted to the minister did include the interruptions for points of order or whether he had used the full 20 minutes to speak.

The Deputy Speaker: I am reminded that if a point of order is raised during an intervention it is included in the 20 minutes.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—UNEMPLOYMENT INSURANCE SYSTEM

The House resumed consideration of the motion.

The Deputy Speaker: The hon. member for Kamouraska—Rivière-du-Loup has the floor for questions and comments.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am pleased to comment on the minister's speech and, in particular, on his statement that 97 per cent rather than 93 per cent of workers will be eligible for the plan.

The Bloc has never said it did not want people to be eligible for the plan. We have always said that unemployment insurance should be one of the tools for creating employment. The government has not offered any other, this reform is its only tool. I think some other tools are missing.

There may indeed be more people paying into the plan, but I would like to know from the minister whether he has had estimates made of the number of new contributors who will be able to benefit from the plan. For people in the regions, where work is seasonal, working 910 hours in a year means working 26 weeks at 35 hours a week.

• (1220)

Even if all the hours are counted, even if people sometimes work a 40 hour week, it will be very hard and will result in an exodus of young people. This will mean that many people will remain on welfare. What I have understood from the reform is that people will have a year to accumulate their 910 hours. The next year, it starts all over again, and we begin at zero. So, there are many people who today are getting unemployment insurance, because their job afforded them between 300 and 400 hours. Now they will have to do 910 hours before they are entitled to unemployment insurance benefits.

In my opinion, this will mean the following: people who work 12 or 13 weeks in the summer at 35 hours a week will end up with some 400 hours and then will have to leave the region to come up with the other 500 hours. They will have to look for

jobs elsewhere. Over three, four or five years this will reduce the population in the region. This is a negative aspect of the reform.

We are not saying unemployment insurance should not be reformed, we are saying that 910 hours is far too much for someone new to the system to accumulate right off in order to be entitled to benefits. It is inappropriate for our economy.

There is one other point I would like to raise. When the minister terms it an equitable reform, how can he say it is equitable for seasonal workers when their benefits will drop from 55 per cent to 50 per cent after about three years, when they will have used up the 100 weeks after which the reduction kicks in? The people affected, therefore, are in seasonal industries, a sector where, through no fault of their own, they have to be on unemployment insurance year after year. They are not guilty of anything, so why must they be penalized? These are people who work in industries with 12, 13, 14, 15 weeks of work a year. They cannot invent more work than that.

So they are being told their benefits will be cut down to 50 per cent. After three years, they will be down to 50 per cent, and for no other reason except to penalize them and push them into other sectors where they do not necessarily have any expertise. Where is the other side of the coin, the guarantee that there will be changes in their regional economy?

Last year, everywhere we went with the human resources committee the people in the regions said they were not opposed to change. They said they wanted assurance that there would be set transitional periods, possibilities of adjusting the economy, of bringing in aspects from new technology, all those things.

But today, instead of a carrot and stick approach, only the stick has been brought out, with no carrot anywhere in sight. There is no sign from anyone in this government, particularly not the Minister of Industry, whose vision of the economy is a century behind the times. There is no vision here of what the positive aspects will be.

I would therefore ask the minister to tell us what percentage of those now under the plan will be eligible under the new arrangements, and what percentage will never be eligible because it will be impossible for them to accumulate 910 hours at any time in their working lives. I feel that this is an important question, because making it so that more people contribute may be very attractive from a budget point of view, but from the human point of view it is equally important to see that people will have enough to live on.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has raised some very useful and important questions and I would like to provide him with a detailed response. I hope hon. members will listen.

In terms of the question being addressed earlier about part time workers, we estimate that 1.3 million people who have a minor work attachment will now be eligible for a total refund of all premiums paid. That includes 900,000 people who presently contribute benefits but receive no claim or eligibility because they do not have enough weeks.

Those 900,000 people will now be able to receive a full refund on their benefits. In fact, 32 per cent fewer people will be paying benefits into the new employment insurance system than in the old system. Overall, part time and low income workers will be paying $14 million less in premiums in the new system.

• (1225)

Those are hard figures. More people are covered but if they do not receive their full eligibility they get a refund of all their premiums, which means a $14 million saving in premiums for part time workers.

I will deal with the second question the hon. member raised regarding the new entrance requirements for new entrants. I will quote to him because he has quoted back to me several times, with great support, the recommendations of the seasonal task force. The working group told us we should do something about eligibility to stop young people from leaving school to take advantage of the short term benefits of UI to the detriment of their future career prospects.

That was a direct recommendation of the seasonal workers task force. It talked with seasonal worker groups right across Canada.

I recommend the hon. member actually read the legislation rather than listening to his colleague, the member for Mercier.

The new entrance requirement is only a first time requirement. In the second year, if they have worked 490 hours in the previous year, the entrance requirement goes down to the regular number of hours. In other words, if they simply get 490 hours in the first year they are not required to do 900 hours in the next year, as the hon. member asserts. They go down to the regular 420 required hours. I hope that provides some clarification.

I will now come to a very important point. The hon. member made a very good case about the need to help change economies in parts of rural Canada, to help people redevelop new economies, recognizing there are problems.

One of the major elements in the new program is a $300 million transition jobs fund that can be used for the investment in these areas to help small businesses with capital formation, to start new enterprises. It can used in terms of new training programs, new schools in those areas, if that is the choice of people in those areas. Investments can go into new infrastructure to attract new industry.

I recall a discussion I had with people in Atlantic Canada. They were saying there was an enormous opportunity now with the new export potential for developing food processing, food value added manufacturing. They new substantial new sewage treatment plants, new water facilities. This new jobs funds will do that.

I suggest to the hon. member that one of the responsibilities for him as a Member of Parliament is not to rely on the old system because he recognizes, as well as everyone else does, it has been a deterrent to jobs. It has stood in the way of developing new enterprise.

Concerning the new methods we are bringing in, the new employment benefits, $800 million in employment benefits, creating over 40,000 jobs in Quebec at this time, plus the infusion of a new investment fund to start helping those regions to make changes, to adapt, to invest, to create new industries, surely if the hon. member is deeply concerned about people in his own riding would not object to having a new economic development fund to help create jobs and new enterprises in his area. That is what the reform is about, to assist people in that transition and that adaptation to a different kind of economy.

We also do it over a period of time. We are not asking people to go cold turkey into this. We are saying there is a five–year transition. Also in the legislation is a clear requirement for monitoring the impacts, the results, the initiatives which will be tabled in Parliament and will be fully transparent. We will be able to ask in Parliament in 1998 what has happened, what adjustments have to be made, if they have to be made, and what kind of other tools can be used.

This will be an opportunity for members of Parliament to engage in a very clear evaluation of what works and what does not work, to share information and to be part of a process of re–evaluation and monitoring. We are being very open and transparent and clear about it.

Rather than engaging in the wild hyperbole I heard from his colleague earlier this morning, we are putting the onus on the hon. member and others to say let us get the real facts.

• (1230)

Let us get down to what is really going to happen. Let us use these new tools for employment. Let us use the new investment fund. Let us use the new opportunities to extend benefits to part time workers. Let us use the opportunity to extend employment benefits to people who have exhausted their old UI benefits, who want to get back to work but have no assistance right now.

He knows that in Quebec the provincial government has cut off major support for people to get back to work. We are bringing them back in because we recognize that people who have exhausted benefits have as much a desire to go back to work than anybody else.

We are now giving them the opportunity to start their own business, to be able to use a wage supplement with employers to have an income supplement, to have a training voucher if the province agrees, and I hope they will so that we can help people get upgraded.

Employment benefits such as having a job corps in their area, doing reforestation projects, building new infrastructure projects are now available to the hon. member's riding as they are to people across this country.

For the life of me, I find it hard to understand why someone who expresses a concern about jobs for his constituents totally rejects the opportunity of new investment, for new employment benefits, to extend benefits to those who have exhausted theirs, to provide a supplement for families to bring up their incomes, to provide an extension of coverage for part time workers.

All those things are part of the new package. I would think the hon. member would be applauding, supporting and working with us to make sure that the full benefits of all the programs are shared by members of his riding.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I was listening to the eloquent response by the minister of human resources to the question from the Bloc as to how much the government is providing to the province of Quebec and to other provinces in his vision of the reform of UI.

The motion we are debating today is that this House denounce the government for its massive cuts to the unemployment insurance system that limit access and so on. It seems to me that this type of motion is in line with the pathetic attitude toward this House and this country held by the Bloc. We are trying to build this country and they are trying to destroy it. It fits right in line with all the things they have been doing along the way.

If this is the type of leadership that the Bloc brings to this House I feel rather sorry for the people of the province of Quebec if the member for Lac–Saint–Jean moves over there and starts to lead that province. I feel that they are going to continue downhill rather than climb out of the lethargy of unemployment that currently exists in that province.

I come from the west where Alberta is one of the have provinces. British Columbia and Alberta are a growth area where we are prepared to get up and get the job done. That is the important thing. It is not to sit around and denounce the government. While we do not agree with the way the government is trying to do things, let us acknowledge that it is trying.

I find it rather disconcerting that this Bloc motion again today is to bring down, to denounce what the government is doing

rather than putting forward any constructive efforts to try to put the people of Quebec back to work.

If they were to adopt the get up and get at it attitude that we have in the west, they would be a lot better off. The economy would be better off in the province of Quebec. The country would be better off because those people would feel better with a positive attitude rather than with a negative attitude.

As part of the doublespeak of the Bloc Quebecois, two days ago there was the annual general meeting of the Interparliamentary Union in the West Block. This is an organization that I sometimes call the junket club and the travel club courtesy of the Canadian taxpayer. For $20 one can buy an annual membership in the Interparliamentary Union and the government throws in half a million dollars to top it up in order to cover the cost of travel around the world. I have been a little critical of the value we are getting for the money that is spent.

• (1235)

As a result the Liberals and the Bloc typically have joined forces to change the constitution of the organization to say that only those who agree with the aims and objectives of this organization are allowed to sit on the executive. As I mentioned in the House yesterday, the communists handled it even better.

The point I am trying to make today is at that annual general meeting the Bloc supported the Liberals in changing the constitution to deny accountability. We asked the members of the Bloc why they were supporting the Liberals on this issue. They said that they loved to travel around the world to promote Canada. We were shocked.

What are they doing within Canada? They are destroying the country. I believe they should be held accountable for that. I thought it was absolutely disgraceful that they would take Canadian taxpayers' dollars that are paid in B.C., Alberta, Saskatchewan, Manitoba, Ontario and the four eastern provinces and run around the world courtesy of us, accomplish absolutely nothing, enjoy it, then come back and say "we love to promote Canada".

However, as soon as they put their feet back in this country they are tearing it apart, knocking it down and trying to destroy it. Let us recognize where the Bloc is coming from. The attitude of its members is that anything which interferes with their opportunity to spend Canadians' money while they follow through with their objectives is to be applauded. I denounce them for that type of attitude.

This motion is strictly for consumption in the province of Quebec. I listened to the debate by the Bloc member. Typical of their attitude, they want Canadians to pay more so that they can receive more. In a totally lopsided argument they want to ensure that money flows one way from the rest of Canada to them. Yet they are so spoiled that they want to break away and build some kind of sovereignty association that continues this idea, however false. It is totally false that we would think about supporting them should they ever separate from this country.

During the referendum the member for Lac–Saint–Jean who was leading the yes forces said: "Remember, they will punish us because we're the ones who are getting the unemployment insurance while all the rest are getting the investments credits". I say to them now is the time to get off their posteriors and get back to work. They should not worry about unemployment insurance but think more about employment. That is what the rest of the country is doing.

We have seen the Minister of Human Resource Development change the name of unemployment insurance to employment insurance. I do not think that words are going to do very much. However, perhaps the idea is a small step in the right direction.

The UI reform that is being proposed is a continuation of this centralist, top down, one shoe fits all approach by the Liberal government. It is not going to work. More tinkering with the system is not what we need. There is nothing that is radically new in the bill brought down by the Liberals. There is nothing refreshing. There is no rethinking of UI. Yes, they have expanded a little bit. Yes, they are going to refund some premiums to some people. Yes, they are going to cover some more groups. Yes, they are going to do a few things.

The Liberals have just massaged unemployment insurance around the edges. They have not said that for the past 20 or more years unemployment in this country has hovered around 10 per cent. It does not matter how much money is spent on the program. Unemployment seems to hover around 10 per cent. If we look around at other countries we find that unemployment is significantly lower. With our friends to the south of us unemployment consistently runs to about 3 per cent less than ours. We must spend more money to fix our problem and yet unemployment continues at 10 per cent.

• (1240)

What is the problem? Perhaps the problem is that there is not enough incentive to work and there is too much incentive not to work. Why does the Minister of Human Resources Development not have a new approach to UI rather than just expanding it around the edges.

I will give a couple of examples and perhaps the Minister of Human Resources Development can take notes. I was in Atlantic Canada last year talking to some good Reformers down there. There are lots of Reformers in Atlantic Canada. This Reformer was telling me that when she was young going to college there were all kinds of summer jobs in Atlantic Canada for students:

in the hotels, in the restaurants. The tourist season was on and there were all kinds of opportunities.

The last year she was in university the Liberal government, 20 odd years ago, changed the rules to say: "We will now pay unemployment insurance to seasonal workers". Housewives came out of their homes, worked for four months, spent eight months at home. It absolutely destroyed the labour market for the kids coming out of university. That is a simple situation of cause and effect.

I know there are many families in this country who depend on seasonal work and unemployment insurance for their livelihood. It is not that I am denigrating that, but when the rule was introduced 20–odd years ago it should have been foreseen that not only would it cause dependency on UI in a seasonal environment but that it would destroy employment for university students who needed to make some money during the summer. We aggravated the situation.

However, we keep tinkering to try to resolve the problems that we created, rather than looking back and saying: "Look at the Pandora's box that we opened".

The young people in this country are motivated, enthused and they are want to work. They do not want UI. They want jobs. Remember the great theme of the government prior to the last election: jobs, jobs, jobs. They waved the red book and said: "This is going to be jobs, jobs, jobs. Vote for us and there are going to be jobs everywhere".

The President of the Treasury Board is the minister in charge of doling out the $6 billion in borrowed money to try to create some jobs. He appeared before the government operations committee to explain the wonderful success of the jobs, jobs, jobs program and the wonderful success of the infrastructure program because now the country is $6 billion further in debt. We all hoped that we were going to get something wonderful for this significant investment.

He told us the infrastructure program created 8,000 permanent jobs which is $750,000 of borrowed money per job. We would have been better giving the interest on the money to the people and telling them to stay home. They would have had a lot more money and we would have been a lot less in debt.

Now we have the Minister of Human Resources Development tinkering to change the UI program to help those people who did not get a job even though they were promised one in the last election. There is something wrong here. There is something wrong with what the Minister of Human Resources Development is proposing. There is something wrong with what this government has proposed. By the way, it has not proposed very much in the last two years. However it did put us $6 billion more into debt to create 8,000 jobs.

• (1245)

Where are the young folk? Their hope is waning. Their motivation is waning. They are becoming discouraged, and the Minister of Human Resources Development says: "If you get a part time job we will cover you with EI". That is not what they want. They are motivated and they want to work.

A constituent came into my office a few months ago. He was an enthusiastic young gentleman with a university education. He was willing to work. He had done all kinds of volunteer work. He had spent 600 hours a year volunteering to help the RCMP. He had a dream of becoming a mountie. Can he? No. He is a white male. Reverse discrimination has killed his dream.

The Minister of Human Resources Development says: "I have a program for you. It is not called unemployment any longer; it is called employment. Sit at home and we will send you a cheque". He is a young intelligent fellow who wants to work and contributes to the country of his own free will by volunteering because he wants to get ahead. He wants to do the best he can for himself. He thinks he has a future ahead of him, but employment equity slapped him down.

That is the type of thing at which the Minister of Human Resources Development should be looking. The young, the motivated, the intelligent and the educated should have every opportunity to get ahead. It does not matter who they are, what they are or where they are. If the minister would appreciate that, we would have a lot less need for the program changes about which he is talking.

I talked about the need for some innovative thinking. Today when a person pays unemployment insurance the employer has to pay that amount multiplied by 1.4. There is a direct relationship between what the employee pays and what the employer pays. It is a total, fixed, absolute relationship.

There are employers who on a continuous basis turn their employees over to the UI system. They are seasonal employers. We read about one of them in the *Globe and Mail* yesterday. General Motors uses UI when it shuts down the factories for retooling and so on. On a regular basis they are turning their employees out to the UI system, hoping it is okay, and hiring them back when they want.

Why do we not recognize that some employers use the system a lot more than others and change the premium according to risk? It is a fairly simple situation. We could count the number of T4s issued at the end of the year, count the number of pink slips issued during the year, find the ratio, determine whether it is a high risk employer or a low risk employer and grade the premium accordingly.

That would give the employer the incentive to keep staff during slack times. It might even give the employer the incen-

tive to create new work during slack times. The employer knows that if he uses his business experience to extend the employment of his employees he will be rewarded. That is what it is all about. Rather than a bureaucrat in Ottawa saying what the rules are, the decision making should be made on the shop floor by the manager.

The same also applies to the employee side. What about the employee who loses his job, who is laid off for whatever reason and runs out to get a job right away? He is motivated. Then there is the other employee who will say: "I am covered for a year. I will take three or four months off and then I will be slow about looking for a job". He will be employed within the year, before his UI runs out.

• (1250)

What about the seasonal worker who says: "I am quite content to sit at home during the wintertime because I happen to be a greens keeper on a golf course?" Since there is not too much grass to cut in the winter he is not required to look for a job in the winter. UI will carry him.

Since this person is a frequent user of UI he should pay a higher premium than the other person who has stable employment or does not use UI very often even though he changes jobs. We could grade his premium to give him the incentive to stay employed rather than being on and off UI.

It is a relatively simple situation. We grade people on income tax when the employer knows their deductions for income tax. I think the same type of situation could be used for UI. I throw that out for the minister's benefit. I am am talking about a new approach to UI, a decentralized approach to UI, something that merits being explored.

While the minister may have taken a small step on UI reform, he missed the wonderful opportunity of taking a great step forward. Along with his colleagues he has totally and absolutely failed in delivering the electoral promise of jobs, jobs, jobs. This is why we still have a 10 per cent rate of UI and why his program, as changed, will not work.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened to the member's discussion. I found it odd what Reform Party members say on this issue. I remember when they first came to the House and how they were to make a positive contribution. They were to support the government.

This piece of legislation is very important for the domestic economy and for making our manufacturing sector competitive within the world. The unemployment insurance rates in Canada are some of the highest in the western world. Many people feel that because of their attractiveness to some extent the rates have had a significant effect on our ability to compete.

I recall in my own practice as an accountant dealing with small businesses. There was an ongoing problem of people refusing to take jobs at a time when they were already receiving unemployment insurance benefits because the cost of physically travelling to the place of employment or having to employ babysitters, et cetera, meant they would receive less than by sitting home and drawing benefits. In some ways this piece of legislation lowers those benefits in recognition that we have reduced the competitiveness of our labour force.

I listened to Bloc members go on and on about the need for underpinning the social structure of the country and possibly workers in Quebec. The Quebec Manufacturers Association recently published a study showing that competitive labour rates within that province were some of the worst in Canada, which makes its ability to compete worse than that of many other provinces. As a consequence it creates a situation of continued unemployment.

The hon. member said that we missed an opportunity. I also heard him say that he wanted to devolve. I think devolve is the operative word of the Reform Party today. Let us call devolve what it really is. It means to destroy or tear down a system which creates labour mobility and allows people to move from province to province to seek employment. Would he reflect on the history and recognize the positive initiative that has been taken by the government to increase our competitiveness in international trade, to keep the underpinnings of a mobile labour force and to recognize the object of employment is to get people back to work and to increase their skill levels?

• (1255)

Mr. Williams: Mr. Speaker, the new buzzword is employment. Unemployment has gone away. This must be to hide behind the fact that the whole concept of jobs, jobs, jobs has failed and people are still unemployed.

It would be wonderful if all the people who thought they would get jobs and voted for the Liberal Party because it promised them jobs had employment. However they do not and it is unemployment insurance we are talking about. It does not matter how they want to dress it up.

I am glad the member recognized that perhaps our UI programs have been a disincentive and have hurt our competitiveness around the world.

We are debating a motion put forward by the Bloc from the province of Quebec. I remember reading an article some months ago about MIL shipyards in the province of Quebec unfortunately running out of ships to build. The average wage in the shipyards was $34 an hour. They were not competitive and could not get any more orders. They wanted the federal government to give them some work, to build more ferries that we really did not need, until such time as they could re–engineer the productivity of the factory to allow them to break into the international shipbuilding market.

MIL Davie did not have a hope of breaking into the international shipbuilding market because it was paying its workers $34 an hour. They are now out of work. Where are they? They are part of the package of unemployed people the minister of human resources is trying to help.

We have to provide incentives at the managerial level in the workforce. I did not say anything about devolution in this situation. I said we should put the incentives where they can be managed, at the managerial level of the workforce. I also gave a proposition on how we could look at it. I was surprised and disappointed that the member continued to hang on to the idea of centralist decision making: one shoe fits all; the people in the big wide world are incapable of making any decisions for themselves; it has to be done here in Ottawa. As a businessman I would have thought he would have realized that there is a great benefit in giving people control over their own lives and control over their own decisions. The whole government is missing that opportunity time, time and time again.

That is the unfortunate truth and that is why we are in a mess.

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, I listened very carefully to my colleague from St. Albert. I wondered at the start whether or not he was talking about the motion before the House. I have lots of comments about that but I will only make one. He complained about the IPU and said that only people who agreed with the aims and objectives of the organization were permitted on the executive.

My hon. colleague represents the party that is constantly pointing out that if hon. members representing Quebec and the Bloc Quebecois are here they are not following the aims and objectives of Parliament, which is obviously to do the best we can for the people of Canada. I am not sure how he can have it both ways. He also mentioned his vendetta against those members who travel on some of these things to learn about other parts of the world and so on. Yet I notice he is very interested in competitiveness around the world and Canada's competitiveness, providing jobs. I do not know how he thinks we will achieve that by sitting at home in Prince Alberta and gazing at our navels.

• (1300)

He has said all decision making is here in Ottawa and that the bill does not address that. The bill replaces 39 programs, which certainly suggests the people in Ottawa know best where each program should go with five which put a great deal of decision making with the local people. In my riding people are already taking advantage of this.

Mr. Williams: Mr. Speaker, I thought the member for Oxford had been around here for a couple of years. I have been around here for a couple of years. I thought he was elected the same time as I was.

To think Bloc Quebecois aims and objectives in the House are the same as those of the rest of us, where has he been? Its objective is to destroy the country and the House, while I would hope the objective of the rest of us is to build the country and strengthen the House. Let us get that absolutely clear. If the member for Oxford has not realized that yet, please tell him to wake up, Mr. Speaker.

On the IPU, we have thought police in this town and the constitution of the IPU was changed by the Liberals and the Bloc, not by Reform. We voted absolutely against it. They voted to say only those who agree with the aims and objectives of the organization are allowed to sit on the executive. Who is to police this? I asked the chairman who is to police this. I guess it is something called osmosis or it percolates up to the top where your ideas are better than my ideas or you are right and I am wrong.

The constitution does not say how the IPU is to police this new rule. I stand up for the taxpayers of Canada who are throwing half a million dollars into that junket club so that these Liberals and Bloc members can run around the world and bring back pieces of paper to table in the House to collect some dust. They call that building on experience and improving our competitiveness around the world. Again I say to the member it is time to wake up.

We cannot afford it. They should not be doing it. We have to get real in the House.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, as I begin my speech, and considering previous comments, perhaps it would be wise to repeat the text of the motion before the House today. The hon. member for Mercier moved:

> That this House denounce the government for its massive cuts to the unemployment insurance system that limit access to the program and hit young people, women, seasonal workers and immigrants hard.

The word Quebec does not appear in this motion. The motion clearly includes all Quebecers and Canadians, especially people in the Maritimes, and I will get back to that in a moment.

First, I want to say that my comments today also reflect the results of consultations I have conducted since last Friday in the form of a series of conferences, including three telephone conferences, mostly with people from my riding in the Gaspé region. There is a consensus that emerges from these consultations which, in addition to the unions and workers, included employers, members of the Chambers of Commerce and people from all walks of life.

Several aspects of the reform proposal have their merits. For instance, the fact that low-income families will have a chance to get higher benefits. However, there are major aspects that need changing, and they are part of the consensus I will share with you.

First, the requirement of 910 hours of work for first-time contributors to the unemployment insurance plan. Previously, to be eligible, the maximum requirement for a first-time contributor was 20 weeks, 15 hours per week, which adds up to 300 hours.

• (1305)

Applying the same principle to these proposals, the government could have said 700 hours, the maximum for regions where the unemployment rate is not as high. But that is not what they did. They set the maximum at 910 hours, to be eligible for the plan.

This means that someone who works 35 hours a week will have to work 26 weeks full time to be eligible, in one year. If the following year you are back to square one, this means, as it says in our motion, young people and women—because in most cases women or young people who enter the labour market will be hit hard by this measure—seasonal workers, plus those who arrive on the labour market and immigrants getting their first job in Canada will all be affected.

What was the rationale for setting this number of hours? How could Liberal members, elected on a platform that stressed jobs, have done that? The best way to get someone a job is to give him an incentive to work. The proposed system will ensure that people who have worked 600, 700 or 800 hours will have to go on welfare as a matter of course. That is not a big incentive to work.

I think something should have been included to give people a taste for better benefits, something worthwhile. So, in addition to not providing any job creation program with the choices it made, and not proposing a way to transform regional economies, the government is waving a stick and telling workers they will have to work 910 hours; that is the way it will get them working longer. But first there have to be jobs.

I think our motion constructively criticizes this position, and the government will have to fix up its requirement of 910 hours. This is the consensus of the people in a region such as eastern Quebec. Why? Because it will lead to an exodus of young people as well. It will swell the numbers of young people who have been leaving over the past 10 or 15 years.

If somebody works 20 thirty-five hour weeks, he will have 700 hours. He will be short 210 hours, but there is no work in his region. Where is he going to find work? He will have to move to a major centre. This will reduce the regional economy in a number of sectors.

This measure severely punishes the regions, it is backward looking and must be withdrawn.

Another point we agree on is the need to eliminate the penalty against seasonal workers. Give me one reason why employment in a seasonal industry, such as forestry, fishing or tourism, should result in punishment for the worker whose benefits will be reduced according to his use of the unemployment insurance plan?

Why is it this way when it is not the case for workers in an industry that is not seasonal? This, to me, is totally unacceptable. I see it as an insult to Canada's regions as well, although their development of seasonal industry has been praised. Their contribution to the Canadian economy is readily accepted, and then, suddenly, the rules are changed and the people penalized and no job creation adjustment program is provided.

This leaves a group of very perplexed members, including the Liberal members for the maritimes, members such as those from St. John's East, Annapolis Valley—Hants, Madawaska—Victoria, Bonaventure—Îles-de-la-Madeleine in Quebec, all those who come from ridings hit hard by this policy, which offers no remedy to change the situation. I am willing to bet that, when the policy is reviewed in three years, as provided for in the legislation, it will be assessed as having a disastrous impact because there was no program to revitalize the economy of these regions as they were being penalized.

It will have taken three more years to arrive at the same result. I think we might as well correct the situation right away.

I would like to show you what this will mean for people, not in theory but in real life. Someone who works 12 weeks at an average salary of $500 a week can now receive benefits equal to 55 per cent of his or her salary, or $275.

• (1310)

Under the new program, this person will have to work more hours per week for a longer period in order to qualify for benefits that will drop from $275 a week to $214. We in this House make good money. If our pay cheques were reduced by $50, it would not be so bad, we might be able to live with it. However, if someone's earnings fell from $275 a week to $214, he would wonder how he could feed his children every day of the month.

This kind of money is on a par with welfare. You think this is an incentive to work? This is totally unacceptable and I think that the government should use the time when the bill is in committee to correct these problems. The people affected should be able to tell the government what it means in real life to go from $275 a week to $214, to make the government understand how the bill would affect them in real life.

Especially since, with the reduction in the number of weeks of work required to qualify for UI, the end of the tunnel is welfare. What a great incentive.

My arguments are not only those of someone from eastern Quebec. They concern everyone in Quebec and Canada. Away from the centre every area will be affected by this and confronted to it. We must all join in condemning this government proposal and in seeing to it that changes are made.

We could assume that, perhaps, the government had no choice but to go about it this way. Perhaps there are financial constraints holding it back. But now this: a lower limit. It makes no sense. In the past, the contribution limit was $42,000 in salary. In the future, the limit will be $39,000. This means that highly paid workers, the higher middle class and highly paid workers will be contributing—listen to this—$900 million less to the UI fund.

This government claimed to be here to create jobs and help the jobless and those whose skills were not adequate for the labour market to find a job. So what did the government do? In its reform, one of its most regressive initiatives, it lowers the ceiling and, as a result, highly paid workers will be contributing $900 million less to the plan.

Do you know where the government will take the missing $900 million? In the pockets of new contributors, those who did not make contributions before, who will now have to work for 910 hours to qualify for benefits but who, while making contributions, if they work ten hours a week during 50 weeks, for a total of 500 hours in the year, will not be fully refunded.

These measures are unacceptable. The UI program may be in need of a reform. It might have been a good idea to set up an employment insurance system. The problem is that the government gave a nice label to a reform that only seeks to make cuts and help reduce the deficit. We are still wondering: if this is the contribution of UI claimants to help reduce the deficit, then what will others be made to contribute? What will be the Royal Bank's contribution, considering it made one billion dollars in profits last year. One billion is more than small change. It is more than the difference between weekly UI benefits of $275 and $214.

The government will have to show that it is also going to get money from those people. In the meantime, it must amend its reform and it must do so urgently. One wonders what prevented the government from introducing, before its reform or at least at the same time, a job creation policy or a regional economic diversification initiative. What prevented the government from showing people that it was going to take positive measures to ensure that regions such as eastern Quebec can get on the new technology express and fully adjust. Why did the current government not take such action?

• (1315)

Why is it bent on targeting only the most vulnerable people? It would have been nice to hear something like: "As regards our young people, we will, in certain regions, set up job creation programs that will allow them to gain a first year of solid experience, to develop their entrepreneurship, and to see if they want to become entrepreneurs".

Let us look at one of the five aspects of job creation dealing with self–employed workers. Basically, it is a very good program permitting someone on UI to start a business. Interesting experiments have been tried under this program. But now, with the 910 hour requirement for first time applicants, a lot of people are going to be left out in the cold. But, if these people were eligible to UI, they could put forward a business plan, start their own business and eventually take some pressure off the unemployment insurance system instead of remaining dependent on it.

It seems to me that this reform lacks originality, initiative, and the new ideas which might have been put on the table and which we would have hoped to see in here, especially after nearly two years of consultation. This is another part of the reform that should be scrutinized.

Last year, I toured Canada with the human resources committee. We went across Canada to find out what kind of reform people wanted. Nowhere did I hear: "The number of hours to become eligible to UI benefits should be increased, seasonal worker benefits should be diminished". Nowhere in Canada did I hear this kind of thing.

However, I was told, for example: "True, there might be some economic problems in certain areas; some things have to be fixed, and we must be given the means to do it". But, do not present us with a fait accompli, as the government is doing.

What kind of effect is this going to have on regional economy? Take the Maritimes, for example; those of you who represent ridings in Atlantic Canada, figure it out: three years from now, all your seasonal workers will be down to 50 per cent only. They speak in terms of 20–week periods. A 20–week period does not mean a reduction of one per cent a year, it means a reduction of one per cent of the salary each time one receives unemployment insurance benefits for 20 weeks. Therefore, in three years, there will be 5 per cent less benefits paid in the regions.

The spinoffs of that will not be job creation but quite the opposite. When jobs are created, another more convenience store opens somewhere and another service job is offered to someone. But these cuts produce the opposite. There will be less money in our economy so there will be less jobs of that kind, there will be more people on welfare, through one program or another, and more people will leave the region.

Instead of breaking the vicious circle that leads to an exodus from the regions, measures like this will tighten it and the result will the opposite of what is expected. This reminds me of the disheartening experience I had last year somewhere in Newfoundland, in an employment centre, where I found a document

in a display case. It was a Human Resources Development Canada document that encouraged people to move, to give up and to go live somewhere else. That does not ensure the future of a country, be it Quebec or Canada. A healthy country is one which capitalizes on its resources and develops them and one which gives recognition to people who work.

If seasonal workers are blamed for the situation their industry is in and for the fact that they cannot work for a longer period, the mid term consequence will be a lack of manpower in part time industries. The tourist industry already has that kind of problem. I can tell you the new plan will only make it worse and will further widen the incredible gap existing between available jobs and unemployed workers who do not have the skills and training to fill those jobs. The hon. member for Mercier has moved the motion before us because of this whole reform.

• (1320)

The government, through massive UI cuts, limits access to the program and sets goals that are the very opposite of those we should have in a society such as ours and our society should be judged by, that is the best use possible of its human resources.

The current Liberal government perpetuates the ways of the previous government it ousted. People voted for change, but the government has fallen back into the same old ways. It is high time you woke up, and swept out the bureaucrats that come up with such proposals for cabinet. You have to get rid of them, because the current government will be judged not necessarily on the way the richer people are allowed to prosper and the more talented are allowed to perform, but rather on the way it ensures that society reaches its full potential, that all Canadians can make a useful contribution and be proud of what they are doing in building something worthwhile together.

If you continue to penalize the people in this way, you will achieve the exact opposite of what you are looking for.

I challenge the government to let the Standing Committee on Human Resource Development travel to Atlantic Canada and throughout Canada, even to the large urban areas, to talk to the people and realize that seasonal workers are not the only ones who will be affected by the decrease in benefits. The government has now decided to clip the wings of the workers who are in the 20 to 30 year age group and who have not had the opportunities that we have had, and that is totally unacceptable.

So, if the government wants to check if its reform makes a lot of sense and if it does not believe the points I just made, it only has to talk to the people to find out what they think. You will see that it will come back with a totally different reform than the one now before the House.

I hope that the Liberal government will take advantage of the holiday season to reflect on this, propose changes and ensure that Quebecers and Canadians can continue to be proud of the balance between the citizens, and realize that the future does not depend on development in big cities, on a lower unemployment rate in Montreal and Toronto, but on the premise that Canadians and their families from sea to sea to sea are satisfied and happy with what they are contributing to.

I think the government has tabled something that needs to be reviewed. That is why the House should condemn the government for its cuts to the unemployment insurance program. This should be in particular the responsibility of the members, who might have reviewed the reform a little in their caucus and may have had the time to express some points. Today, we will see if the members, especially those from the Maritimes, stand for the Liberal Party or for the people they represent.

[*English*]

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I appreciate the opportunity to question the statements made by the member to the House. I suspect he might have selectively read from the reform, rather than reading it from one end to the other.

The hon. member asked a question about the whole issue of incentives for employment and for job creation. He indicated in his speech that he could not see any incentives. I want to ask him about that because I have difficulty understanding that he read this document.

I see items such as $800 million being put into specific programs to encourage employment. I look at wage subsidies to encourage employers to hire people, particularly those who need to be trained. I look at earning supplements to top up wages to encourage people to get back into the workforce rather than having to collect benefits.

The hon. member talked about the self–employment initiative program. That was in UI. It continues to be in the UI reform. It is an excellent program which is going to create a lot of employment. The hon. member suggested that people would not be able to use it because they would not be able to get onto the program. In fact, half a million people who were not eligible for the program because they were part time workers are now going to be eligible for the program.

The member keeps going on that there are no incentives. People are going to be rewarded for every hour they work and for every effort they make. The benefits are based on hours worked,

not on weeks. A whole series of things in this reform encourage people to work. It gives them the incentive to work. It gives them financial support to work.

• (1325)

The hon. member totally ignores those things. He fails to look at those parts of the employment insurance reform which will result in opportunities for people to get a job. The fact is that this is all taking place within a financial context which he totally wants to ignore. He will not look at those things.

My question to the hon. member is very specific. Why do you ignore those things in the UI reform? Why do you ignore the $800 million which is being added to the $1.9 billion that already exists to create employment not only in English Canada but in your province of Quebec as well? Why are you ignoring those things? Why will you not talk about those things? Why will you not admit—

The Deputy Speaker: I would ask that questions be put through the Chair, not directly to the member.

[*Translation*]

Mr. Crête: Mr. Speaker, my first response to this remark is this, and I think it is important. The member asked me why we have not read the reform proposal from cover to cover, why we do not have all the details.

There is a contradiction between the member and his government. The government has used closure to limit the debate to three hours on Monday. It is muzzling us because it does not want a real debate on this bill at second reading. It is doing that because it wants to hide this reform before the Christmas holidays, so that we will have to go home without having had the time to show Canadians that it is unacceptable.

About the $800 million, it is obvious that it is not $800 million at all since it is just money being transferred from the consolidated revenue fund and the unemployment insurance fund. The government has tried all week to confuse us on this issue, getting quite confused itself in the answers of the various ministers. It is certainly not today that it will succeed in convincing us.

I want to make a last comment. It is simple and obvious. Go back to your ridings to explain to the people that the 910 hour minimum requirement is reasonable. Ask your constituents if they think it is reasonable to require that people who participate in the unemployment insurance program for the first time work a minimum of 910 hours in order to become eligible. You will all come back with the same answer after the Christmas break, or maybe even next week.

Is it reasonable to require that these new workers—I am talking about our young people, about women who enter the job market, about immigrants who come to Canada—work a minimum of 910 hours when the previous requirement was 300 hours and when the highest requirement for people who are already contributing to the program is 700 hours? Is it reasonable to impose a 910 hour minimum requirement to those people to whom we claim to want to give an incentive to work, when it is obvious that this kind of measure will do exactly the opposite? We will see within a year that a vast majority of people will be discouraged. This will stimulate the underground economy and force Canadians onto welfare.

If the government has not understood that, it will have to make some adjustments; otherwise it will have to face a lot of angry people. As Gilles Vigneault once said, "it will have quite a storm on its hands".

[*English*]

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I have great difficulty understanding why the Bloc does not want to look at the initiatives surrounding employment which are being brought forward by these reforms.

Are the Bloc members aware that the insurance program will cover 500,000 more people? Are they aware that the family income supplement will go to 350,000 low income families? Are they aware that 380,000 workers will have their premiums refunded? Some 2,700 workers will be eligible for two additional weeks of benefit. About 45,000 seasonal workers who currently are not eligible for UI will, despite making payments, become eligible under this new act.

Are they not interested in putting people back to work? Do they not see that this reform of ours on the employment side is doing just that? I ask the hon. member to tell me and tell the House why he and his party cannot see that these changes on the employment side will be very beneficial for the whole country.

[*Translation*]

Mr. Crête: Mr. Speaker, the hon. member is asking the same question I asked the minister this morning. He said that there would be 500,000 more contributors to the program. We all know that there will be 500,000 more contributors, but what we want to know is how many of these 500,000 people will ever get benefits.

How many will pay and never benefit from the program? I am very surprised. Many of the questions we would like answers to are like this. Before the referendum, the government did not want to introduce this bill, because it had to be looked at carefully. Today, they are in a great hurry. They want us to pass this legislation on the double.

What is behind this new position of the government?

The Deputy Speaker: It being 1.30 p.m., it is my duty to inform the House that pursuant to Standing Order 81, proceedings on the motion have expired.

[*English*]

Pursuant to an order made Wednesday, December 6, the business for the current supply period will be concluded on Monday, December 11 of this year at 6.30 p.m.

[*Translation*]

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

BANKRUPTCY AND INSOLVENCY ACT

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): moved that Bill C–323, an act to amend the Bankruptcy and Insolvency Act (order of discharge), be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to speak on my Bill C–323. Prior to the last election I served as a probation officer and family court counsellor in the ministry of the British Columbia provincial attorney general. I served for over 20 years. I spent each day working with the Canadian Criminal Code and I learned firsthand the system's weaknesses and strengths. I also discovered the loopholes that aided offenders to walk when they should have been properly held to account. Far too often I saw justice not being served. The criminals were benefiting and the victims were not served. There was little neglected victims could do. Advancing the plight of victims of crime is one of the motivations for me to serve in the House.

When constituents in New Westminster—Burnaby elected me as their representative in 1993 I made a commitment to take a firm stand on behalf of the victims of crime. Whether changes to the Canadian Criminal Code or to some other statute, I promised something would be done to protect the public and to change the balance of the operation of the law to be more in favour of victims.

On May 1 of this year I had the distinct pleasure to introduce Bill C–323. Today there is even a greater satisfaction that the bill was deemed a votable item with a chance of becoming law. Small changes such as those in Bill C–323 may not sufficiently change the overall system to the way we would like but it certainly represents a good start.

Approximately a year and a half ago a Vancouver area lawyer approached me with a concern that a loophole in the Bankruptcy and Insolvency Act was enabling offenders to be relieved of their commitment to pay civil court judgments. It was a loophole that was causing victims further suffering. It was clear that a simple amendment to the Bankruptcy and Insolvency Act

would eliminate the possibility for a person to use personal bankruptcy to escape from any owed damages awarded in civil court. Thus I have been working to bring forward my private member's bill.

When a person commits an assault or battery, a wilful act that harms another, the victims can sue for damages through a civil lawsuit. However, under the current BIA if the offender claims bankruptcy after being found liable in court the damages awarded to the victim are cleared, causing the victim to once again suffer hardship.

• (1335)

Subsection 178(1) of the Bankruptcy Act lists various things an order of discharge does not release a bankrupt person from. The law has long recognized there are some things that cannot be forgiven and will remain. It takes into account alimony, maintenance and support of a spouse or child, debt arising out of fraud, embezzlement or a fine, penalty or restitution order imposed by a criminal court in respect of an offence.

Therefore according to the way the act currently reads a bankrupt person cannot be relieved of paying a traffic fine yet can be relieved of paying damages for something like sexual assault. I do not think any member of the House would disagree that the statute must be changed as soon as possible. We must provide some appropriate balance.

In April I read an article in the Vancouver *Province* newspaper about Sherleen Hackett who was awarded $145,000 in damages for sexual abuse by her stepfather on June 28, 1991. Stepfather James Hackett was ordered to make payments of $500 a month. According to the article he made one full payment of $500, four payments of $100, and then filed for bankruptcy. It was as easy as that to turn the legal system on its head.

Allow me to cite several other examples so that those following can fully comprehend the severity of the fundamental flaw in this statute. Tammy Carr of White Rock, B.C. sued her stepfather for sexually assaulting her for six years and was awarded $42,513. Her stepfather, David Graham, filed for bankruptcy six months after the judgment. Payment to date: none.

Cynthia Shefford of Alexis Creek, B.C. was awarded $357,743 by a supreme court jury for the sexual abuse committed by her father, Leonard Klassen. The father was ordered to pay his daughter $500 a month for 12 years. Three months after the trial Klassen filed for bankruptcy. Payment to date: none. The amount of Shefford's award is the largest awarded in the country to date, but what good is it to have such a record amount if not a penny is received by the one who needs it most, the victim?

My bill would make a simple amendment to subsection 178(1) of the act, as part (a) of the act currently says that an order of discharge does not release the bankrupt from any fine, penalty, restitution order or other in similar nature to a fine, penalty or

restitution order imposed by a court in respect of an offence or any debt arising out of a recognizance of bail.

Bill C–323 would make an addition to this part:

> An order of discharge does not release the bankrupt from any damages in respect of an assault or battery awarded by a court pursuant to a judgment rendered in a civil proceeding and any interest on the damages before or after judgment ordered by the court or payable by law.

The amendment is a brief but fundamental change to the act. Not only would it strengthen the statute in legal terms, it would strengthen the public's view of the operation of Canada's justice system. Some of the imbalance and absurdity in law would be removed.

I do not think many Canadians know debtors may currently avoid substantial payment on sexual assault judgments by making an assignment in bankruptcy. However, as more and more people file their cases in the courts, public awareness will increase. The more our legal system gives the offender a loophole, the more disregard will arise.

If nothing is done to such a small section of the Bankruptcy and Insolvency Act the justice system as a whole will be in danger of being viewed as completely in disrepute. The sad thing is Canadians already look at our justice system and think it is not reflective of them.

One need look only at the Young Offenders Act to see examples of ineffectiveness. The government continues to claim what it is doing will save lives and make Canadians feel more safe. In the last two years the Liberal government has made several changes to the Criminal Code and the Young Offenders Act, and yet my constituents still complain to me they feel afraid to walk the streets.

The government says these changes need time to be implemented but I believe it knows that all the time in the world to discuss and defer will make absolutely no difference to the crime statistics. The criminal law changes made so far by the government are anaemic and do not sufficiently respond to the desires of mainstream Canadian values.

• (1340)

The situation is similar to that with intersections and street lights. Before a municipality will put up a street light at a busy intersection it waits for a certain number of serious accidents to occur. If no accidents occur, it is believed a street light is not needed. Usually someone has to die first.

Therefore a responsible government would address a problem before it gets out of control. The amendment in my bill should have been introduced years ago or at least near the time that such cases were coming before the courts.

This is the job of federal departments. There are legal experts who must know the bankruptcy act inside and out. They knew there were loopholes in subsection 178 for years but until now nobody has addressed them.

In 1992 British Columbia's legislature took a lead with this issue by amending its own limitation act. The amendment removed any limitation period for bringing action for damages for sexual assault. This is interesting in that the issue was addressed in a provincial legislature in 1992 and yet it takes the federal government another three years to address it at the federal level.

The government is not in the vicinity of the eight ball at all. It has not recognized as a matter of urgent priority those victims suffering because of legislative inadequacy.

In 1994 an ad hoc committee of women for reform of the Bankruptcy and Insolvency Act submitted a discussion paper on why subsection 178(1) needs to be amended. I will summarize some of the benefits it believes will result by amending the act.

It avoids a negative public perception regarding the impact of bankruptcy on sexual assault judgments and consequent disrepute of the act. It sends a clear message to sexual abusers that the act cannot be used to avoid payments as a result of judgments.

It deters abusers by eliminating a means of escaping the cost to be paid for sexual abuse. It provides greater certainty for victims, the courts, trustees in bankruptcy and the superintendent.

It provides a greater likelihood that victims who are able to realize civil judgments will be able to pay for their own treatment and will be less likely to be dependent on an already overburdened social services resources.

It provides consistency with current federal initiatives to lessen the burden on the social safety net. Abusers will be made to bear the costs of the victims' recovery process rather than society as a whole or the victims themselves.

A lawyer friend of mine who suggested the amendment has been pressing both the Minister of Justice and the Minister of Industry to make such changes that I have included in my bill.

I will read a letter the Minister of Industry sent to my friend on April 6, 1995:

> My colleague, the honourable Minister of Justice, recently sent me a copy of your letter of August 16, 1994 recommending that the Bankruptcy and Insolvency Act be amended to include awards of damages in serious assault cases among those not released by a discharge in bankruptcy. I regret the delay in replying to you.
>
> Your letter is quite timely, as I am now considering a number of possible BIA amendments to be included in a bill targeted for introduction later in the spring or in the fall. Among the amendments under consideration is one along the lines you have proposed. Your letter argues strongly in favour of such an amendment, and it will be given due consideration.

Thank you for bringing your concerns to the government's attention.

On November 24, 1995 the Minister of Industry introduced Bill C–109, which included amendments to the Bankruptcy and Insolvency Act, including a change to subsection 178(1). I applaud the minister for his recent initiative. I wish the change could have come about sooner, but I understand the minister wanted to make many amendments to the act besides my proposal.

On page 61 of Bill C–109 and carrying over to page 62, there is a small section that reads:

Subsection 178(1) of the act is amended by adding the following after paragraph (a): (a.1) any award of damages by a court in civil proceedings in respect of an assault;

The minister's bill finally attempts to fill in the loophole, but I am suggesting my wording is better. The government bill deals only with the word assault, which is from the Criminal Code. My bill deals with both assault and the purely civil tort created from the historical term battery.

It also deals with interest on moneys on such civil awards, which the government bill overlooks. I am also now suggesting that in view of further advice, the term interest on moneys awarded should apply to the whole section 178, not just to the assault award section as suggested.

In addition, the bill should include the term wrongful death.

• (1345)

Currently the government bill envisions that an assaulter will not be cleared of civil liability damages and bankruptcy, but if the assault is serious enough to eventually cause death then the offender becomes free. The inherent message is for the perpetrator to do more harm and actually kill the victim. Then the civil liabilities will not survive the bankruptcy. That angle must also be covered.

I have discussed these provisions with the minister. I will be looking for some positive moves from him in the next week. He should publicly promise to approve the appropriate clauses of Bill C–109 so that perhaps I might find it acceptable to withdraw my bill and have the government fully take over my initiative.

So far the minister has appeared co–operative and open to discussions. I compliment him for bringing Bill C–109 forward. It is a technical clean–up of many outdated sections of the old statute which was based on reviews and consultations that were started by the Conservative government of the last Parliament. The minister has appropriately built on that beginning and we look forward to speedy passage. I hope I will be able to report to Parliament that as legislators we will get this thing done.

Victims of crime should wear no political label. I commemorated again for our party on December 6 the national tragedy of the murder of the 14 women from Montreal. The 14 roses on display in the Commons lobby on December 6 were a sober reminder of the obligation of Parliament and what it owes to victims of all kinds from every region of the country.

The platitudes have reached high levels in the House for years now about the remembrance of December 6. Yet little in actual legislation has been passed that directly uplifts the plight of victims. However, with my bill we have a practical and concrete chance to act positively. We will see if the Liberals social philosophy can measure up to the expectations of mainstream Canadian values and the hopes and aspirations of Canadians even from an ignored British Columbia.

I am being very direct in my comments, for the hopes of hurting children and grandparents were dashed by uncaring Liberals on the justice committee this week when a private member's bill from the member for Mission—Coquitlam granting grandparents legal standing in divorce courts was summarily dismissed. It was shot down by the government after many brave Liberal backbenchers dared defy cabinet signals on the bill and actually voted for change. They voted for the real people's agenda. They voted for the people. Then the top down Liberal mindset took over and the old style political games were played by the government against the hopes of ordinary people.

Here we have it again: Liberal members not supporting victims. They cannot deny it. Their jaws are quivering, but their votes are now forever part of the parliamentary record. The pattern runs deep with them. It has been allowed to run too long for our country's well–being.

Can one wonder when I reflect the cynicism about government from my constituents? They feel government is something done to them rather than for them. In mock amazement the justice minister said to me on national television that I was too cynical when I recounted to him a few of the missed justice system reforms that he as the minister had chosen not to pursue. I cannot be too hard on him. After all he has an educational handicap in that he is a lawyer.

Here is another initiative placed right in the lap of the Liberals, private member's Bill C–323. This measure is not supposed to be handled in a partisan manner. The country is watching. I hope the House will get it right this time and fully support the kind of initiative I have brought forward to help victims of crime and have perpetrators pay for and restore what they have done. Let us have offenders directly accountable to victims.

I am encouraged that uncharacteristically of Liberals the Minister of Industry might not be as misguided as the justice minister when it comes to being in touch with mainstream Canadian values. We all know how good people can become

rather strange when they acquire an extensive legal education and then call themselves lawyers. This minister seems reasonable enough to spread the credit around and advance the people's agenda rather than merely a Liberal agenda. In view of the early signals I have received from the Minister of Industry, I am hopeful that my bill, or more correctly the people's measures, will get to the next stage.

I urge members to dig deep, overcome themselves, be generous of spirit and support a good idea. I am also calling upon the Minister of Industry to give the proposals most serious consideration.

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I am pleased to rise to speak on Bill C-323, an act to amend the Bankruptcy and Insolvency Act.

• (1350)

It has been two weeks since the Minister of Industry introduced Bill C-109, an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and the Income Tax Act.

The bill contains more than 70 amendments to the BIA. The amendments fine tune the laws regarding commercial bankruptcy and introduce new features involving consumer bankruptcy. The legislation has been designed to assist Parliament in its three-year review of the BIA.

The House welcomed the opportunity to look at the bankruptcy laws in more detail. After all, Canada's bankruptcy laws must protect the interests of borrowers, lenders, insolvent practitioners and government. These interests are so varied and complex that over the decades bankruptcy laws have been very difficult to reform.

Bankruptcy laws are an integral part of the framework legislation that established the rules of the marketplace in which buyers, sellers, lenders and borrowers can make transactions with confidence that the law will treat them fairly.

Among the issues covered in Bill C-109 was the treatment of court fines in assault cases in the event of bankruptcy. The government proposed that people who had been accused of sexual or physical assault should not be able to turn to bankruptcy as a way of avoiding penalties imposed by the civil courts. Fines for physical or sexual assaults become non-dischargeable in the event of bankruptcy under Bill C-109.

The legislation is now before the House and when it is in front of the committee, the committee will have the opportunity to study it in detail and to make appropriate amendments.

One such amendment should be the proposal before us today, that section 178 which lists non-dischargeable debts also includes the following:

> —any damages in respect of an assault or battery awarded by a court pursuant to a judgment rendered in a civil proceeding and interest on the damages before or after judgment ordered by the court or payable by law.

The key difference between Bill C-109 and Bill C-323 is the addition in the hon. member's bill of including interest on damages as part of the non-dischargeable portion of a bankruptcy debt. This is an excellent amendment. I commend the hon. member for New Westminster—Burnaby for it.

I would like to see the same principle applied to all categories listed in section 178, not just the assault cases. I would prefer to see the Bankruptcy and Insolvency Act amended so that either the interest issue is addressed specifically in each category or, conversely, have it addressed generically so that it is clear that it applies to all categories listed in section 178.

I do not believe debate on a private member's bill is the most appropriate place to make these changes. All of us are concerned about the efficient allocation of House time and I would rather see the issue discussed in committee when it reviews Bill C-109. That being said, I congratulate the hon. member for his worthwhile contribution to the amendment of Canada's bankruptcy laws.

Too often in the House we fail to acknowledge the perceptiveness and integrity of suggestions that come from the other side of the floor. Perhaps this is one reason Canadians have become impatient and cynical about politicians. They see us perform during question period. They are witness to the bickering and sniping that show politics at its worst.

What Canadians do not see in the clips from question period that make the nightly TV news is that behind the scenes and in committee there is a common purpose among members of the House. We are working hard to make things better for Canadians.

Perhaps we ought to make more of an effort to congratulate one another in public. Behind the curtains we often have a kind word for our colleagues on the other side of the floor. Sometimes we will ruefully congratulate them on a political point well scored. The time has come for us to acknowledge without shame when members across the floor come up with good ideas that ought to be a part of government policy.

This is one such occasion. I commend the hon. member for his work on bankruptcy reform. I look forward to hearing what he will have to say to the committee if he agrees the committee is a more suitable forum for his ideas to be discussed.

• (1355)

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity today to speak to the bill introduced by the hon. member for New Westminster—Burnaby.

I listened carefully to the hon. member's arguments. Members with whom I spoke in the Bloc Quebecois, and I personally, are in favour of this amendment. It is clear that individuals who are ordered in civil court to pay damages in respect of an assault or battery or any another act that could lead to a conviction in civil court, should not be able to shirk their responsibilities by declaring bankruptcy.

Like our government colleague, I think this amendment to the Bankruptcy Act is admissible and useful.

There is also the aspect of interest payments which may be useful in an amendment to the bill introduced by the minister on the same subject.

However, I was less inclined to appreciate the arguments presented by the hon. member to justify his amendment. I agree there is a problem. In Canada, individuals convicted in civil court of causing damage as a result of violent acts or sexual abuse should not be allowed to escape the consequences of their actions. However, I think the hon member—and this is just a comment—was putting his amendment in a rather negative context.

There was a lot of talk about crime, a list of people convicted of sexual abuse or acts of violence was mentioned, cases were cited, and so forth. Perhaps the climate in my riding, in my region, and even elsewhere in Quebec is not quite the same, but I have not met many people in my area who are afraid to go out at night for fear of being assaulted or abused. These things can happen, of course, but they are not so widespread that they can be used as arguments to justify otherwise quite worthwhile amendments.

The hon. government member also noted that, last November, the Minister of Industry tabled in this House a bill to amend the Bankruptcy Act. This bill is much broader than the amendment proposed by the hon. member because it kind of overhauls the Bankruptcy Act. Like the hon. member who spoke before me, I did notice that there is an identical clause in the bill introduced by the Minister of Industry and in the bill presented by our colleague from the Reform Party today.

I even think that, had it realized this sooner, the committee in charge of determining which bills shall be considered as votable items might have decided that this bill was redundant in light of the minister's bill.

When I went over clause 105, a little paragraph further down caught my eye. It has nothing to do with this debate, but I know, Mr. Speaker, that you are quite lenient on the issue of relevance. I do not know if my colleague from the Reform Party saw this paragraph that makes it more difficult for students who are out of school but are unable to find a job to declare bankruptcy.

• (1400)

They are told they cannot do so within two years of finishing their courses. This is, I feel, an aspect which merits attention perhaps. I wanted to bring it up here in the House, and my party will debate it when the time comes. I believe that, after all of the Reform member's justifiable severity concerning people getting out of their responsibilities after a civil judgment, he ought to focus the same amount of energy on the student situation in order to determine whether there is a problem. We know that in Canada, and in Quebec, my region in particular, getting into the work force is a huge problem for students.

I feel therefore, that in the bill to be introduced by the Minister—I know I am not in order, but I feel this will have to be examined carefully. It is all very fine to want to be strict, to want to see people pay their debts, but one still needs to have a proper understanding of the situation. My colleague has justifiably pointed out that people found guilty in civil suits ought not to be exempted.

Looking at the student situation, however, we become aware that the minister's bill is very severe, considering that at the present time the job market for young people in Canada is very bad, and when it comes right down to it, one realizes the amendments proposed by the minister are unfavourably biased against students. A student who is unable to pay his debts after graduation is judged initially as in some way guilty of fraudulent intent in not wanting to repay his government loans. This is, I feel, not the case for the large majority of students. The bulk of young people forced to declare bankruptcy at the end of their studies do so because they really cannot pay.

Certainly there are some people who will take advantage of such possibilities to commit fraud. However, as was said this morning concerning the whole unemployment insurance issue, when a system is put into place there are always some people who will try to cheat, but it is my belief that not everyone using the system ought to be tarred with the same brush as the dishonest few.

I hope that the government will take this into consideration when the time comes to examine this legislation, particularly since the unemployment insurance reform will mean that students who have terminated their studies will be hit hard by that as well. We realize that a student completing school and finding a first job will have to work 910 hours in order to qualify for unemployment insurance.

Lots of students today are on contract, and it is rare that anyone gets 910 hours in one go. Young people will not qualify. If they cannot qualify, they cannot pay their student loans. If they cannot pay their student loans, they will have difficulty meeting their obligations. Under the amendments to the Bankruptcy Act the minister has tabled, young people will not be able to pay and therefore will not be able to declare bankruptcy and will be unable to pay. It is not clear where they will end up.

In any case, I hope that, when the committee reviews the legislation, it will look carefully at the amendment the member proposed, because I think it is acceptable, but I hope it will also look at other aspects of the legislation, which are tightening and toughening up the system. Basically, Canada's entire social system is becoming harsher. It is our whole way of looking at our young people in school and people having difficulty finding a job.

Our whole approach, that of Canadians and of Quebecers, is getting tougher. We accept the situation, because it is always being presented in the light of our difficult economic situation, but still, in such a situation, things have to be taken into account, as I suggested my colleague should have done in connection with the whole issue of crime and its control through more severe measures.

We have to take things into account as well in our attitude toward Canadians and Quebecers who need a little more support from the government in times of greater economic difficulty. I thank you for having tolerated my wandering slightly off the topic of debate.

• (1405)

[*English*]

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I am pleased to have the opportunity to rise on behalf of the people of Okanagan—Similkameen—Merritt to speak in support of Bill C–323, an act to amend the Bankruptcy and Insolvency Act (order of discharge).

I begin my remarks by congratulating my Reform Party caucus colleague, the hon. member for New Westminster—Burnaby, on the fine job he has done in bringing this legislative proposal forward for the consideration of the House. In my view, all members of the House should be quick to rally in support of this bill.

Very simply, the changes to the bankruptcy laws being proposed by my colleague would prevent persons from declaring bankruptcy in order to escape paying civil damages for an assault or battery they have been found to have committed by a Canadian court. Clearly, Canadians want the members of the House to support changes in our laws that will protect the victims of crime in our society.

Canadians have demanded measures that will address the damage done by violence in our homes, our streets and our playgrounds. We on this side of the House were elected on a mandate to bring changes to the criminal justice system. The wave of support for the Reform Party of Canada which swept across the west in the last election is based on the demand by the Canadian electorate for changes in the way our society deals with crime and, in particular, violent crime.

I take this opportunity to give fair warning to the Liberals that this wave of support for the Reform Party of Canada will sweep across the nation in the next federal election. I have no doubt about it.

The efforts of my colleague will not go unnoticed by Canadians. He has introduced a private member's bill which seeks to add civil damages awarded in respect of an assault or battery to the debts listed in the Bankruptcy and Insolvency Act which cannot be released by the act. Again, I congratulate my fellow British Columbian for his efforts on behalf of all Canadians and the Reform Party of Canada.

Canadians know that the Liberals have proposed changes to the bankruptcy laws of our country. Canadians are aware of the gutless and poor legislation the Liberal Minister of Industry has presented in the House. In true Liberal Party fashion the government is ramming the changes to the Bankruptcy and Insolvency Act through the House on a fast track like it has with so many other bills.

Bill C–109, the weak and cowardly Liberal government changes to our country's bankruptcy laws, was introduced and read for the first time on November 24, 1995. It was read the second time on November 28, 1995. That is four days later, for the Liberals across the floor who are counting the days on their calendars. Bill C–109 will become another bright light on the Christmas tree of Liberal red book broken promises. Bill C–109 will be rocketed through the House like a missile, with no debate, or as little as possible, no amendments, no regrets and no apologies.

Bill C–96 creates a new department for the federal government. The creation of a new department is a far cry from the demands of Canadians to reduce the size of government. The new department is exempt from having to submit an annual report. The books are being hidden by the Liberals.

Bill C–101 is another bill debated in the House. It was a collection of weak and ineffective changes to the Railway Act. That bill was so far from what stakeholders in the industry wanted that it was worthless.

Bill C–107 was another great debate for the Liberals. It was cast in stone. It could not be changed, not one word. There was nothing to debate. The Liberals passed it in a matter of days, patted each other on the back and congratulated the Minister of Indian Affairs and Northern Development for all the hard work he had done to steer the bill through the House.

Canadians are absolutely amazed by Bill C–62. It is so seriously flawed the Liberal minister is scrambling to make changes to the bill even before it gets sent to committee.

• (1410)

If the Liberals care to pay any attention to my warning of their fate in the next election then they should endorse my colleague's bill. Bill C–323 will go a long way in fighting violent crime in our society. The victims of these crimes need the resources it takes to recover from the violence that has been committed against them. The perpetrators of these violent acts are using the country's bankruptcy laws as a convenient tool to get away with their crimes.

Do the Liberals really want to be known as the political party that stands 100 per cent in support of the segment of society that uses violence as a response to events in their lives? Do the Liberals really want to be known as the political party having the guts to stand up to the perpetrators of violence? Or do members of the House want to be known for saying to perpetrators of violence: "You cannot hurt someone and just walk away". This has to be said to those who beat up on women, to those who punch smaller persons, to those who sexually violate another human being, including children.

That is what Bill C–323 is asking us to do. It is asking us to deal with bullies. It is asking us to stand up for those who have been hit by a bully. This is elementary. This bill is trying to put on the statute books something that we all learned in the school yard.

The Liberals have already chosen not to do what this bill is asking. I hope that people watching me right now will pick up a pen and write down on a piece of paper Bill C–323, then go to their phone book, look up the phone number of their Liberal member of Parliament and phone him or her. Tell them that you want to register your vote as a yes for Bill C–323 on your behalf. This is to make sure that bullies are punished.

I am willing to put politics aside on this one. We need to protect the people in society who have been victims of violence. We are talking about violent acts which have been proven to be committed. Courts have decided how much the person perpetrating the violence owes the victim. The aggressor laughs at the court order, declares bankruptcy and walks away from the terrible damage done by the violent action. The victim who is probably already paying high medical bills, losing time off work or is being affected in any number of sad, tragic ways, can do nothing. They are stripped of their ability to recover because some smart lawyer has figured out a way to exonerate the client from having to pay for an act of violence.

I cannot believe that on behalf of my constituents I am standing here today and literally begging the Liberals to listen. I am asking them, on humanitarian grounds, to support something that is so basic that any Canadian with an ounce of morals or integrity would support it.

Most Canadians would be surprised to know that those committing violent acts can get off scot free through the bankruptcy laws. Any self–respecting Canadian would say: "Let's put a stop to that today".

Canadians cannot believe that the Liberals ignored the chance to do something about this situation with the proposed changes to the bankruptcy laws. The Reform Party's private member bill, C–323, has been on the Order Paper since last spring. The Liberals knew it existed. They chose not to include this idea in their amending bill introduced just last month. This is shameful. This is embarrassing. Canadians are very disappointed.

• (1415)

I am the national defence critic for the Reform Party of Canada. I have served in the Canadian Armed Forces. As a matter of fact I am still on the supplementary reserve list.

The Canadian Armed Forces is famous throughout the world for standing up to bullies. We did this for 30 years in Cyprus. We are peacekeepers. We are known for having a fair and just society. We are admired for our willingness to take our notion of right and wrong to virtually every corner of the planet and assist in keeping peace, preventing bullies from hitting on people and getting away with it.

I am proud to support Bill C–323. The Reform Party of Canada is proud of my colleague's bill. The people of Okanagan—Similkameen—Merritt, whom I represent, are proud to have me speak in favour of the bill.

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, thank you for the opportunity to speak to the private member's bill put forward by the hon. member for New Westminster—Burnaby.

This legislation is a clear example of a good idea whose time has come. In fact, the idea of amending the Bankruptcy and Insolvency Act so that people who have been accused of sexual and physical assault cannot use bankruptcy as a way of avoiding penalties imposed by the civil courts has also been raised by government legislation.

Bill C–109 was introduced a couple of weeks ago. Under it, fines for physical and sexual assault become non–dischargeable in the event of bankruptcy. The legislation before us takes this idea one step further and it is a good step. Under Bill C–323 the pre– and post–judgment interest on awards would also be non–dischargeable. I want to commend the hon. member for New Westminster—Burnaby for his foresight in closing this loophole. This is an excellent amendment to the laws regarding bankruptcy.

The hon. member's bill inadvertently opens another loophole. Section 178 of the Bankruptcy and Insolvency Act refers to a number of instances where debts are non–dischargeable. Among them are alimony payments, child support and fraud.

In cases where the courts award pre– and post–judgment interest in these other circumstances, I do not think the bankrupt should be able to escape these obligations simply by declaring bankruptcy. Nor do I think this was the intention of the hon. member when he tabled this legislation.

The bill after all seeks social justice. It is an endeavour to make sure that those who have incurred debts and interest charges by order of the court cannot escape their obligations by declaring bankruptcy.

I am certain that if the hon. member had the opportunity to redraft the legislation, he would do so in a way that would close down the loopholes for the bankrupts listed in section 178. I would suggest to him that the surest way of having his recommendation adopted would be to withdraw Bill C–323 and resubmit his proposal as an amendment to Bill C–109 now at second reading.

I am convinced that the amendment will be welcomed by the committee. We have already heard expressions of support from both sides of the House. We all know that the hon. member for New Westminster—Burnaby has hit upon an excellent idea and a worthy amendment and we all want to see it incorporated in law as soon as possible.

That is why I support the principle of Bill C–323 but I cannot support the bill as it now stands. I encourage the hon. member to withdraw Bill C–323 and present its substance as an amendment to Bill C–109 at committee. There it will be incorporated into a bill that has been designed to address the broad spectrum of both consumer and corporate issues that relate to bankruptcy.

Many of the amendments to the Bankruptcy and Insolvency Act contained in Bill C–109 are aimed at redressing an imbalance between consumer debtors and their creditors. The legislation puts more pressure on debtors to rehabilitate and to act more responsibly by repaying their debts. For example, as we have discussed in the House before, most consumer bankrupts are discharged nine months after bankruptcy. Even if they start obtaining surplus income, it is costly for creditors to get back what they are owed.

• (1420)

Under Bill C–109 consumer debtors will be required to remit a portion of their surplus income, the income which exceeds the minimum cost of living. The creditor will not have to go to the courts to receive his due.

The legislation also covers student loans. Some students have declared personal bankruptcy upon graduation as a means of discharging their student loans. Under the new law, students will continue to be able to declare bankruptcy but their student loans will not be discharged for another 24 months.

Under the new amendments, insolvent spouses may submit a joint proposal for bankruptcy. This will help save time, cut costs and streamline the process. Former spouses will no longer be able to use the bankruptcy laws as an easy way to get out of making support payments. Spousal and child support payments become provable priority claims.

The legislation also contains measures to ensure that low income families will not lose their GST credit refunds. Such refunds will be exempted from seizure in the event of a bankruptcy.

All these are good amendments. Among the good amendments is the proposal to ensure that people who have been accused of sexual or physical assault do not use bankruptcy as a way of avoiding penalties imposed by the civil courts.

The hon. member has added a very useful amendment to this last provision. I look forward to discussions in committee on it if he is willing to withdraw his bill.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, all laws passed by Parliament are designed to deal with inefficiencies and injustices created by free and voluntary interactions among people. Canada's Bankruptcy and Insolvency Act is no exception.

People dealing honestly and with the best of intentions borrow money from others in order to establish businesses or carry them over periods of temporary insolvency. In this world of uncertainty, occasionally the best made plans of borrowers go wrong. They are unable to meet the repayment schedules to which they have committed themselves.

Historically, creditors used to have powerful instruments of coercion to assure that debtors make every effort to repay their debts. The stories of debtor prisons are the stuff of Dickens' novels. They have done much to influence our thinking about the injustices involved in the old, harsh methods of dealing with debtors.

These attitudes are that debtors unable to pay their debts are in trouble for reasons beyond their control. They typically are poor and need to be protected from rich creditors. Moreover, it is not in the interests of society that individuals who have hit a streak of bad luck should be stigmatized for life and forever unable to get back into business or even just mainstream life. The conditions described in Dickens' novels were that the poor were stripped of everything. They were stigmatized. Indeed those were bad times and some changes were needed.

The existing Bankruptcy and Insolvency Act reflects social attitudes. It makes it possible for individuals to declare bankruptcy to escape the social and economic penalties that historically were imposed on debtors. In Canada and in most industrialized countries today, debtors can clean the slate, walk

away from past mistakes and start all over again by the simple act of asking courts to declare them bankrupt.

Canadians believe generally that these rules are desirable and create a better society. They also believe that bankruptcy itself and the stigma attached to having declared bankruptcy are sufficient deterrents to abuse of the privileges granted under the law.

• (1425)

I might note that there are significant differences between countries. I understand that in the United States, some successful businessmen who today are millionaires brag about the fact that they have been bankrupt at least two or three times. One of the significant cultural differences in the United States, Canada and Europe is that we typically do not have these kinds of entrepreneurs that go around saying it was quite all right to have been bankrupt a couple of times.

Mr. Forseth: They have no shame.

Mr. Grubel: My colleague whispers into my ear that they have no shame. I personally think this is reflective of a more dynamic, risk taking society which has all kinds of benefits for creating wealth and generally raising the income of citizens. However, there are always excesses.

As is the case with so many well–intentioned laws, this law on bankruptcy has been shown to have a number of unintended consequences. This law is subject to increasing abuse, especially as the memory of the disgrace of debtor prisons and social ostracism are receding from the public conscience.

Bill C–323, the amendment to the bankruptcy act introduced by my Reform Party colleague from New Westminster—Burnaby, is aimed at curbing one of the unintended consequences of what otherwise is a well–intentioned good act. If accepted it would reduce the ability of individuals to escape responsibility for the payment of fines which have been imposed by civil courts in response to damages caused by violence, typically against women.

The intention of the existing legislation clearly was not to open bankruptcy as an avenue which could be used by violent offenders to escape the penalty which society through court actions has imposed on them. This private member's bill is consistent with public sentiment on this subject. I support it and urge members of this House to pass it.

The proposed legislation continues to protect innocent victims of bankruptcy from the historic, often unjust and socially undesirable consequences of excessive penalties. Making sure the perpetrators of violent acts against people are duly convicted in a court of law and required to pay a fine is not equivalent to bringing back debtor prisons. It is a necessary and in my view highly desirable act that would restore equity and would close a loophole in the existing law.

I have every confidence in the ability of those entrusted with carrying out the intent of this act to distinguish between cases where bankruptcy is designed to escape responsibility and where it is the result of genuine bad luck. The risk of mistakes in such decisions is worth the social benefit in terms of greater equity envisaged by the designer of this bill. I urge that his ideas receive the assent they deserve.

The Deputy Speaker: I wonder if we might agree not to see the clock until the next member has finished his submission. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened intently to the speech of the hon. member for Capilano—Howe Sound who said how different our culture and our attitudes are toward bankruptcy. I do not believe that is the case.

For example, members of the Reichmann family, in the pursuit of some of their objectives not only within Canada but also internationally, used the protection of chapter 11 of the United States and also our own creditors arrangement act. Many of our countrymen are alarmed and curious to understand how it was possible, after all the smoke had cleared from that period of time in our history, that over 2,500 employees of the Canadian Imperial Bank of Commerce had lost their jobs, but at the same time many of the executive staff were promoted and that today the Reichmann family still has partial ownership of Canary Wharf. These are the people that my Reform colleagues would like to support, I suppose.

• (1430)

I will now move into the area of this bill. It was a very honourable presentation by the member for New Westminster—Burnaby. Rather than take the time of the House today, I can state that it was never the intention that this act be abused by people trying to escape societal obligations. I believe it is very appropriate that the member bring forward this legislation at this time.

The question seems to be whether it is appropriate that this bill go forward. Another bill is currently being debated, Bill C–109, a government bill, which overlaps and has some similarities to this bill. When I try to compare these two bills, I discover that their differences are twofold. One is that the member's bill talks about assault and battery, whereas the minister's bill talks simply of assault.

My reading of the word assault would include the definition of the word battery. I do not believe that is a significant difference between Bill C–109 and the private member's bill.

The other difference, as I understand it, is that the hon. member includes the concept of interest related to awards or judgments in the area of assault and battery. That would be different from the existing bill of the minister.

I am not a lawyer, but I understand in law that when we specify in one aspect of the bill a specific such as interest, that by definition a judge will assume that we meant interest only in that area and that some of the other areas of the bill would not have interest judgments attached to them. As a consequence, I believe we need to either amend the existing legislation in Bill C–109 which talks about interest, so that we are clear that interest is included in all the categories, or we need to delete the interest adjustment aspect from the member's bill.

The bill presented by the member is a good one and deserves the support of the House, but it is a matter of time allocation. This House is very busy. We have been putting through a lot of legislation recently and I am sure the government has much more legislation to present in the new year. We have to find a way in which we can do this efficiently.

It seems to me that the most efficient way to handle the matter would be for the member to move an amendment to Bill C–109 at committee stage. Indeed, I would be happy to support the member in that initiative.

Today I would have to say that I have to oppose the bill, not because I oppose it in principle, not at all. I support the initiatives of the member. I would oppose it simply on the grounds of time allocation.

I believe there are many members on this side of the House that would support the initiatives of the member to bring forward amendments to Bill C–109 during committee stage, dealing with the aspect of interest.

The Deputy Speaker: The time provided for the consideration of private members' business has expired.

[*Translation*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

[*English*]

It being 2.35 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.33 p.m.)

HOUSE OF COMMONS

Monday, December 11, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

QUEBEC'S RIGHT TO SELF-DETERMINATION

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ) moved:

That, in the opinion of this House, the government should, in accordance with international law, recognize Quebec's inalienable right to choose its political destiny and consequently its right to self-determination.

He said: Mr. Speaker, I am sorely tempted to dedicate my speech to the member for Kingston and the Islands. You will understand how proud I am to make this speech, because constitutional dialogue requires a discussion, not of a distinct society but rather of what is as plain as the nose on our face, what is an accepted fact and a sociological reality: Quebec is a nation.

As you know, when international law recognizes the right to self-determination, the holders of that right are individuals who together are characterized as a people and form a nation.

First and foremost, let me state that on this side we are totally convinced that Quebec is indeed a nation, which is to say it has its own vernacular, controls its territory, has its own legal system, and possesses a proud history which is the focus for its collective feeling of belonging. Obviously, there is a fifth element in Quebec's right to self-determination, a collective desire for it.

I feel that it would be important, to say the least, and one of the most positive indications for our future, if this House were to acknowledge this morning that Quebec is a nation and therefore entitled to self-determination. An examination of international law shows that the right to self-determination means specifically the right to freely choose a collective destiny. Most often, but not always, this takes the form of a referendum process.

I trust that all of the hon. members speaking in this debate will acknowledge that Quebec is blessed with highly democratic and up to date legislation on public consultation. No parliamentarian could object to the fact that Quebec held a referendum last October. Nothing could prevent Quebec from holding a referendum in 12 months, 26 months, 3 years or even six weeks if it so desires, to determine freely its collective future.

There is a paradox here, because to foreign observers, even those well up on the Canadian political scene, constitutional reform has been central to the political debate in this country for the past 30 years. When we started talking about constitutional reform 30 years ago, there were two tendencies. One said patriate the Constitution first and include a Canadian charter of human rights. Mr. Trudeau chose to take the same position during the eighties, but the fact remains this was already being discussed in the early sixties.

There was a second tendency, mainly in Quebec, to say that the important thing was not necessarily patriating the Constitution which at the time, I may recall, had no official French version while half of its sections were already obsolete, so Quebec's political leaders said, and I am sure the hon. member for Kingston and the Islands will remember this, that the important thing was not necessarily—that was how Quebec's leaders felt at the time, in any case—to patriate the Constitution but to revise thoroughly the balance of Canadian federalism, which meant reviewing sections 91 and 92.

This would be the position held by all Quebec's leaders, whatever their political stripe, from Jean Lesage onward. Among those who succeeded Lesage, there would be this insistence that for Quebecers, the crucial point was not the Constitution as that last trace of colonialism but the fact that Quebec should have a certain number of powers which were sadly lacking. It was on this basis that constitutional reform was to begin.

Of course the process, which would go on for 30 years, gave rise to a number of political doctrines. Some people became experts on the subject, including Richard Arès, who spent much of his life examining the national question. Of course there were many others, and we can say that during the past 30 years, constitutional reform has given rise to three major political anchors for Quebec.

In the 1960s, the idea that Quebec should have a special status was picked up by Gérard Fillion, who, at the time, was editor in chief of *Le Devoir*. This marked the first attempt to amend the Constitution and to change the colour of the constitutional debate. With *Le Devoir*, Gérard Fillion and a number of other intellectuals, it was felt that all of Canada's institutions required reworking. There was even talk of the Senate. There was increasing discussion obviously of an official languages act as well. There was a feeling of special status. In other words, the fact that Quebec, in addition to being a province, was a nation

and had a special responsibility towards all French speakers in this part of North America had to be recognized.

• (1110)

With this idea of special status, it became clear that Quebec had to be seen to be a French society in a binational context expressed in all of Canada's major institutions.

This idea was set aside to some extent and gave rise, a bit later, about five years later, to the idea of associated states. Those who remember the political and constitutional debate in Quebec will remember this idea. The idea of associated states or two nations, on an equal basis, involved the idea of full equality, an idea that reached a much fuller and much more concrete conclusion with the idea, proposed by the Parti Quebecois and its president and founder René Lévesque, of sovereignty association.

The common denominator, however, in these three ideologies, these three constitutional doctrines, is that Quebec is a nation. Each time a Quebec premier went to the constitutional table, it was in this context. There is a reason for us to always make this claim as one of Quebec's constitutional demands, including in Victoria.

I found that a little funny. As some veteran members of this House will recall, the Victoria formula was not only about regional vetoes but also about giving Quebec more power over language and social policies. According to then Premier Robert Bourassa, however, that did not go far enough.

Will the House of Commons, which is supposed to be a fairly accurate reflection of Canada, have the courage to recognize that there are two nations in Canada and that one of them will therefore probably move toward full and true sovereignty? This, of course, will be achieved through a referendum to be held in the coming months.

Yet, it is difficult to understand how, 30 years after initiating the debate on constitutional renewal, we are now considering Bill C–110, which all but ignores the major constitutional demands traditionally made by Quebec. Even without going as far as recognizing Quebec's right to sovereignty in a bill, how can a Prime Minister such as the one now in office, who has been a key witness to the events of the past 30 years in Quebec, believe that he will satisfy a single Quebecer with a bill offering nothing but a hypothetical veto that is not even enshrined in the Constitution.

What prevented the Prime Minister and his government from considering Quebec's major constitutional demands and ensuring that federal spending powers are defined in Bill C–110, for example? For the past 30 years, this has been part of a set of demands that have been renewed by every successive administration and government.

If the Prime Minister had been serious, he would have included a minimum of demands in Bill C–110, namely to limit federal spending powers, resolve the issue of residual powers, give Quebec more power over language matters, and recognize that Quebec is the only authority on language.

Even the Pepin–Robarts report, that Pierre Elliott Trudeau liked quoting from ad nauseam, recommended, besides a Confederation Chamber, the notion of recognizing Quebec as distinct, because, through its National Assembly, the Quebec government is the only real government ever to have been run by francophones in this part of the country. What would have kept the Prime Minister from recognizing that Quebec does have, regarding language, certain prerogatives?

The key issue of manpower is also at the heart of Quebec's demands. But this issue does not basically mean that, within the context of national standards, the Government of Quebec will be allowed to manage a program. That certainly was not what all the people who, in the past 30 years, recognized the need for Quebec to manage what could be call globally labour market policies had in mind.

• (1115)

Now the situation emerges where Quebec is told: "You will have the right to take back manpower programs, provided however that your program is compatible with our national standards". That is the crux of the problem.

How can they think that national standards could be established regarding something as changing and fluctuating as the labour market, when we know full well that, even within an economic space as small as the Quebec economy, labour market policies vary from region to region. The reality in the Gaspesian Peninsula is not the same as in Montreal. We find ourselves in a relatively disturbing situation, to the extent that those who launched the constitutional debate, those who worked to ensure that Quebec is treated more fairly and more in accordance with its status as a nation within Confederation, now find themselves with a constitutional proposal that is disappointing to say the least.

We could have gone a lot farther. That is part of the list of demands. What keeps us from recognizing Quebec as a distinct society? The term "distinct society" is absolutely meaningless. Just ask Library of Parliament researchers to go through the literature on international law. They will not find a legal basis to the effect that we are a distinct society. That concept is absolutely meaningless in terms of what Quebec truly is and in terms of its nationhood.

The government, and in particular the Minister of Justice, who seems somewhat reluctant, will have to take notice of that. We understand that the Minister of Justice may not be the best informed person regarding claims made by Quebec in recent years, but there are well informed people in cabinet, including the Minister of Labour, who has some experience in the Quebec political arena, and who may miss it at times. In any case, there are people in this government who know very well that Quebec is a nation, that it has a right to self–determination, like any other group forming a people and a nation, and that nothing will keep Quebec from holding another referendum when it chooses to do so. Quebec will hold a referendum when it has democratically decided to ask its citizens to make the inevitable choice.

In a debate like this, we cannot help but think of someone like André Laurendeau. In some respects, André Laurendeau is like a spiritual father to the Bloc Quebecois because he too, in his days, believed it was important to have a sovereignist front right here in this Parliament, to protect Quebec's interests.

For several years, André Laurendeau was the member for Montréal—Sainte–Marie. He accepted Lester B. Pearson's invitation to co–chair the Laurendeau–Dunton Commission. When he and his team tabled the preliminary report, the white paper, I think he understood something which is at the heart of the present political and constitutional wranglings in Canada. You will recall that he wrote "Out of disappointment will come the irreparable". The irreparable, of course, is sovereignty.

André Laurendeau had clearly understood that the federal regime's inability to acknowledge that there are two nations which must be treated as equals, that there are two nations in fact and in law which must engage in dialogue and treat each other as perfect equals, and that from this inability of the federal regime and those who personify it to recognize those two nations the irreparable will ensue. The irreparable will be—already is—that feeling. There is great satisfaction in seeing that in less than a decade the sovereignist option has made a ten per cent gain.

• (1120)

There are not many examples of an idea which was initially perceived as being really marginal ending up with democratic backing that has become more and more solid; it is now headed toward a majority.

We are not wrong in this. I would like to state in closing that we in Quebec are committed, as is the rest of Canada, to engaging in a dialogue on the basis of what we are, through and through, which is a nation. Discussions between nations are on a totally equal footing. That equality will be made official in a democratic referendum, which will be Quebec's next rendez–vous with destiny.

It is my belief that today's debate ought to afford an opportunity, particularly on the government side, for recognition that Quebec is a nation, that it is entitled to self–determination, and that this right to self–determination justifies its demands for full and complete sovereignty.

[*English*]

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I have read the hon. member's motion and listened to him very carefully. Despite his sincerity I have to tell him and the House in the strongest possible terms that there is no provision in international law which would recognize Quebec's effort to become a separate, independent state.

In the months leading up to the Quebec referendum on October 30, many statements were made regarding international law and the right to self–determination. Unfortunately those statements have led to confusion and especially a false impression that international law gives Quebec the right to secede from Canada.

Quebec has no right to secede from Canada unilaterally either under the Canadian Constitution or under international law. There is no principle of international law according to which Quebec has the right to secede from Canada. This is the conclusion that was reached by five international law experts who produced a study on the question at the request of the National Assembly's 1991 commission on Quebec sovereignty.

As one author put it in that recent study on self–determination, the inhabitants of Quebec do not have a legal right under international law to secede from Canada.

What then is meant by the right of self–determination? A statement of the right is found in various international documents. For example, the charter of the United Nations states that one of the purposes of the United Nations is to develop friendly relations among nations based on respect for the principle of equal rights and the self–determination of peoples.

The 1966 International Covenant on Civil and Political Rights and the 1966 International Covenant on Economic, Social and Cultural Rights state that all peoples have the right of self–determination. Affirmation of a people's right of self–determination is also found in the United Nations 1970 Declaration on Principles of International Law concerning Friendly Relations.

We must note immediately that these documents speak of people's right to self–determination, not the right of a province, not the right of a county, not the right of a city. In Quebec there are several peoples: the descendants of New France, the aboriginal nations, the Inuit, the descendants of the British settlers and many immigrants who simply call themselves Canadians. We have to be very clear on that point.

Within the Canadian federation there is one province of Quebec but there are many peoples in that province, a point to which I will return in a moment. The first question to be answered is what does the right of self–determination mean? This is a difficult question which may be best answered by first looking to what is not included within a right of self–determination in international law.

Most important, a people's right of self–determination is not the same thing as a people's right to secede from an existing state. In most situations the right of self–determination must be exercised without causing any detriment to the territorial integrity or political unity of existing states.

The United Nations 1970 declaration on friendly relations states that the exercise of the right of self–determination must not dismember or impair, totally or partially, the territorial integrity or political unity of sovereign and independent states. This means that a right of self–determination must, except in unusual circumstances where a people is subject to a non–representative government, be exercised within the context of existing states. A people's right of self–determination then means the ability to participate fully and freely in the democratic process of governing the existing state. Certainly the population of Quebec participates fully and freely in the democratic process of governing Canada. This was the conclusion of the five international law experts who prepared a study for the national assembly's 1991 commission.

• (1125)

Canada is a federal state in which the province of Quebec has its own national assembly that exercises exclusive powers under the Canadian Constitution over such important subjects as property and civil rights, natural resources, education, health and social services and the administration of justice, among other things.

At the federal level, representatives from the province of Quebec hold roughly one–quarter of the seats in the House of Commons. Many of Canada's prime ministers, including the current Prime Minister, have come from Quebec. Quebec is and has long been well represented in the federal cabinet. The Leader of the Opposition is also from Quebec. Quebecers, therefore, play a large role in governing the nation both through their own national assembly and through their representation in the federal Parliament and government.

Quebec has its own legal system, based on French civil law. Quebec is always represented by three of the nine appointments to the Supreme Court of Canada. The current chief justice is also from Quebec.

Quebecers also benefit from a strong set of cultural and linguistic guarantees under the Canadian Constitution, under federal legislation, such as the Official Languages Act, and through various programs and activities. Cultural initiatives are strongly supported by Radio–Canada, the Canada Council, the National Film Board, Telefilm Canada and other Canadian institutions. Therefore, the population of Quebec enjoys everything that a right to internal self–determination implies.

Since self–determination is a right of people, there has never been a consensus exactly on what the term people means. To some, people is synonymous with the population of a state, such as the Canadian people, especially where the entire population of the state participates fully and freely in the governing of the state. Others take a broad view that the term people means any group that meets certain basic criteria, such as common language and history, along with a sense of collective identity.

Given these different views of what the term people means, it is not self–evident that the political entity known as the province of Quebec, which embraces a diverse range of people and a diverse range of cultures and linguistic groups, would qualify for the spectrum of people able to assert the right to self–determination.

Quebecers have had a direct say on their future within Canada through two referenda held in Quebec in the last 15 years. In both 1980 and 1995 a majority of Quebecers reaffirmed their commitment to Canada and rejected attempts to break up the country. Even had the result of the referendum been yes to the question formulated by the Parti Quebecois government, international law would not have recognized the yes vote as a legal basis for the creation of a new state.

International law demands that a political entity meet several specific criteria before it can be considered a state. Along with satisfying these criteria, a political entity trying to achieve statehood must also receive international recognition. Recognition by other states is both an acknowledgement that the new state meets the criteria of statehood and an expression of willingness to enter into relations with the new state.

Therefore, any movement toward the independence of Quebec would not only be without legal foundation in international law, it would have to meet the legal criteria for statehood and the practical necessity of international recognition, which in both cases would be extremely difficult.

In conclusion, and in response to the motion before the House, there is no right in international law for Quebec to secede from Canada. To imply otherwise, as this motion does, is to depart from international law in contravention of Canada's right to continued existence.

• (1130)

Those who support such a proposal as is before the House today are living in an unreal world of illusion and misrepresentation. I suggest the House reject this motion.

[*Translation*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I rise on behalf of the Reform Party to speak against this motion on Quebec's right to self–determination. I want to thank the hon. member for Hochelaga—Maisonneuve for presenting this motion and thus recognizing the right of this federal Parliament to debate and judge this question.

[*English*]

In speaking against this, it is the position of the Reform Party that Quebec has no inherent right under international law to self–determination because it is neither a colony nor an occupied country, and that the Quebecois are probably not a people within the meaning of international law. For this I cite almost exclusively the work of the Bélanger–Campeau commission on the sovereignty of Quebec. The strongest argument in support of the view that Quebec is neither a colony nor an occupied country is found at pages 382 to 383 of its report:

[*Translation*]

"According to those who support Quebec's accession to sovereignty, the right to self–determination constitutes the basis of the alleged right of the Quebec people to form a distinct state, but pursuing the same reasoning, many of their opponents and the spokespersons for most aboriginal peoples take the position that:

[*English*]

If Quebec can opt out of Canada then obviously sections of Quebec that preferred to remain part of Canada could opt out of Quebec.

[*Translation*]

This analysis is based on a postulate we believe to be erroneous, according to which the right to self–determination implies the right to independence".

[*English*]

The report then suggests on pages 419 to 422 that the principle of self–determination implies the right of people to participate in shaping their political, economic, social and cultural future, and that due to the principles of respecting the territorial integrity of states, self–determination could result in independence only in the rarest circumstances.

The report suggests the principle really only applies to non–autonomous or colonized people who have been recognized as such by the United Nations. This is clearly not the case in Quebec.

[*Translation*]

And this quote again from page 422: "On the evidence, that is not the situation of Quebecers nor that of the various minorities within Quebec's territory".

[*English*]

For non–colonial peoples, self–determination has "at least for now stopped being a principle of exclusion and became one of inclusion; the right to participate. The right now entitles peoples in all states to free, fair and and open participation in the democratic process of governance freely chosen by each state". The report goes on at page 425 to endorse this position.

[*Translation*]

Another quote: "One cannot reasonably maintain that Quebecers are colonial people nor that they are deprived of the right to their own existence within the Canadian federation or exercise their democratic rights. Consequently, the Quebec people have no legal basis for invoking the right to self–determination to justify a future accession to independence".

[*English*]

The conclusion of the report is clearly stated:

[*Translation*]

"From the legal point of view, a possible accession to sovereignty by Quebec cannot be based on the principle of the equal rights of peoples and their right to self–determination, which implies the right to independence only in the case of colonial peoples or of those whose territory is occupied by a foreign power".

[*English*]

The second point is that the Quebecois are not a people within the meaning of international law. Even the Bélanger–Campeau commission is not sure whether the Quebecois constitute a people.

At page 418 the commission recognizes that the Quebecois can either be French speaking or English speaking. At page 425 the commission states:

• (1135)

[*Translation*]

"Some authors have tried, with some success, to establish the existence of a Quebec or, alternatively, French Canadian people".

[*English*]

Although the commission is not explicit, undoubtedly its members were aware that for the purposes of international law, a nation is defined in *Black's Law Dictionary* as follows:

> A people, or aggregation of men, existing the form of an organized jural society, usually inhabiting a distinct portion of the earth, speaking the same language, using the same customs, possessing historic continuity, and distinguished from other like groups by their racial origin and characteristics, and generally, but not necessarily, living under the same government and sovereignty.

Obviously given the ethnic and sociocultural make–up of modern Quebec society, only the pûre laine Quebecois could arguably be considered a people. While they constitute a majority of the Quebec population, they do not constitute a majority in each region of Quebec. This produces a curious result, that if the Quebecois pûre laine are a people and if they have a right to secede, they could not claim the right to territorial integrity. Therefore Quebec separatists cannot have this both ways.

If the strict definition of the word people is applied, only the aboriginal people in the north would likely qualify. This is clearly not in the interest of sovereignists and quite probably the reason why the Bélanger–Campeau commission did not explore the point further.

While Quebec does not have the right to self–determination, this does not mean that whatever Quebecers decide in a referendum is unimportant from a democratic standpoint. We in the Reform Party have said it is very important. However, the Government of Quebec would also have to admit to the importance of a large number of Quebecers opting for federalism. So far it continues to be a majority. Even if a minority opted for Canada this would also constitute an important democratic fact which the Government of Quebec would have to take into account.

From the standpoint of the Reform Party and I believe from the standpoint of the majority of Parliament, the motion is not based on international law or fact. Quebec does not have the right of self–determination other than by negotiating its future in Canada and with the rest of Canada.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I congratulate the hon. member for Hochelaga for a sparkling address which had the added advantage of reminding me that I have been there before. My colleague, the hon. member for Notre–Dame–de–Grâce, also brought me back to time past.

I advise the hon. member opposite to beware of experts and especially people who claim the title of expert. I was also invited and gave evidence as an expert before l'Assemblée nationale de Quebec on these and related issues. I admire and respect the five experts who have been cited very often by the Quebec government and others for their different interpretations. They are experts but I would have thought in other domains than those in which they gave their opinions which might suggest that perhaps l'Assemblée nationale did not do its homework.

I have little difficulty in returning to the point made by my colleague, the hon. member for Notre–Dame–de–Grâce, in international law. There is no explicit joining of the right of self–determination which is a comparatively recent principle of international law with the fission or break–up of existing states or with the outright entry into independence.

If we trace the history of this principle, it is related, as so many things in contemporary constitutionalism are, to Emperor Napoleon and the liberating ideas of the French Revolution which sometimes are put forward without necessarily the intentions of the founders.

The spirit of liberalism, the spirit of nationalism and the spirit of independence are somewhat antinomic and conflicting principles of the heritage of the 19th century, the 19th century of the French Revolution, and carried through into the 20th century in Woodrow Wilson's 14 points. I suppose the apogee of the concept of self–determination as a historical imperative, not a legal one, meaning the break–up of large multinational states, was reached in the Treaty of Versailles.

• (1140)

The tragedy is that it was a principle carried historically to its logical and perhaps foolish conclusion. Most historians today would trace as one of the causal factors of the conflict in World War II the creation of a vacuum in central Europe by the creation of a plethora of mini states, incapable of forming common economic policies and incapable of co–operating militarily to resist the larger threats from the east and west, from Nazi Germany and from the Soviet Union.

This is one of the reasons why in San Francisco in 1945 the principle of self–determination represented a learning from the lessons of history and less enthusiasm for the categorical imperative that some had asserted: that every time one is identify as a nation or a people—the terms in the UN have been used interchangeably and somewhat confusedly—one did not have to break up a state to assert one's right of self–determination.

The classic demonstration of this is the principle that the hon. member for Notre–Dame–de–Grâce referred to, friendly relation and co–operation among states. It was a symbolic ending of the cold war. It is the last great act of east–west relations. It supplements the United Nations charter. It is a code of conduct between communist Russia and the west when the cold war is still on.

It contains this very important historical exception. It was agreed by all parties that there was nothing in the principle of self–determination put in the declaration of friendly relations requiring the break–up of existing multinational states, specifically federal states like Canada and the claimed federal state, the Soviet Union, which specifically were adverted to in the friendly relations conference agenda.

One can find it over the whole 10 years of the history of this. It was pleasant to be reminded of it. I wrote several books that I thought were persuasive on this some years ago and it is nice to have them brought back.

Let me come back to present reality. If members look at the situation in Bosnia, at Yugoslavia, I suppose some might even argue that what has happened there is worse than what existed before, a centralized authority imposing unity on a multinational society.

If self–determination led to the break away, members can see the rule of reason emerging in the current settlements. One saw immediately with the Vance–Owen plan for Bosnia 11 cantons on the Swiss model, and one said it will not work. There is no legal imperative requiring it. It historically does not make sense.

As one follows, as Secretary General Boutros–Ghali has, the trend away from Vance–Owen to Owen–Stoltenberg to what we could call the Clinton or the Dayton plan, there is the 11, now down to 3. The implicit element in it is that two of the three may rejoin their neighbouring states, their so–called mother states.

What we are really saying is we live in a period of historical transition where the main historical currents are contradictory. The trend to supra–nationalism, the imperative of larger and larger regional supra–national associations, economic, political, replacing the old military one, is accompanied by a fragmentation which most historians would regard as a pathological condition today.

The future of the world community is not a series of little Basutolands, enclaves within larger states; nor is it breaking up viable economic political units into a plethora of smaller units. It is basically in recognizing that the lesson of today is constitutional pluralism. People can work together. A state that can successfully combine several different peoples or nations, if one wants to use those terms interchangeably, is a stronger state.

The unity comes from the diversity in the original sense of the term used by the great Austro–Hungarian and late Israeli philosopher who coined the term community of communities. It is that larger concept.

To a certain extent when self–determination is preached there is the false statement that international law requires it. It does not. International law is neutral. In a certain sense it is running counter to the preferred view of how history is unfolding: an interdependent world community and larger and larger associations transcending national frontiers, rendering nationalism in its pathological sense out of date, and making Bosnia–Hercegovina and the conflicts there an absurd survival at the end of the 20th century of an anarchic past that is better left behind. The nation state has been the master institution of western European thinking for the last 300 years, but it is out of date.

• (1145)

This is the biggest lesson. There is no international law imperative here. There are lessons of history but there are good historical trends, trends that rest on sound scientific evaluation of the past, and there are the bad lessons. It is for us to choose on this basis.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, I want to thank the hon. member for Hochelaga—Maisonneuve for presenting this motion, which I have here before me, and all other members who gave very well documented presentations on the subject.

It would be interesting to see the hon. member for Notre–Dame–de–Grâce patriated to the National Assembly, if he tries to run for election once Quebec has opted by way of self–determination to obtain its sovereignty.

Historically, the Canada of today, of 1995, which is also the Canada of 1867, was created with the consent of the partners who joined the Canadian federation.

You will permit me to quote the first "whereas" from the British North America Act of 1867. It reads as follows: "Whereas the Provinces of Canada [Upper and Lower Canada], Nova Scotia and New Brunswick have expressed their Desire to be federally united into One Dominion under the Crown of the United Kingdom of Great Britain and Ireland, with a Constitution similar in Principle to that of the United Kingdom".

There are, however, three other "whereas" clauses. The first "whereas" is crucial. The text continues: "The Queen's most Excellent Majesty, by and with the Advice and Consent of the Lords Spiritual and Temporal and Commons, in this present Parliament assembled"—that is the Parliament of the United Kingdom of 1867. The imperial Parliament of 1867 would never have enacted the British North America Act without the consent of the colonies, of Nova Scotia, New Brunswick and the Provinces of Canada to form the Dominion of Canada, as we know it now.

So the consent of the colonies already established at the time of Confederation was vital to the existence of the Canadian federation as we know it today. Its existence is contingent on the continued consent, at least of the well–defined colonies that made up the preconfederational British North America and that were joined by the colonies of the Pacific coast, essentially today's British Columbia and, in 1949, the Dominion of Newfoundland, which decided to join the Canadian family.

We can see from the documents approved by the imperial Parliament following the Charlottetown and Quebec City resolutions that the consent of the colonies at the time was fundamental to the creation of the present federation. If constituents withdraw that consent at some point—and the real constituents are those who were asked in London: "Do you give final approval to the Quebec resolutions we agreed on?"—and this is what the British Parliament did in 1867. This was within their right; for all practical purposes, they ratified the Quebec resolutions by giving them force of law. For all practical purposes, the imperial Parliament gave up its legislative authority over British North America in 1982.

• (1150)

As my colleague for Hochelaga—Maisonneuve pointed out earlier, Quebec has, of course, a people, a language, a territory, a history, rules and regulations, legal institutions, and a common will to live together, which are the basic requirements in exercising the right to self–determination.

I want to focus on the issue of territory. As we recently heard, our Reform colleagues, in particular their leader—I think the hon. member for Calgary West put less emphasis on the issue, since he felt uncomfortable with his leader's position—, would like to turn Quebec into a Switzerland–type country, that is to say, full of holes with enclaves and removable parts. This essentially amounts to asymetrical federalism at its best.

I see that the hon. member for Kingston and the Islands belongs to a totally different school of thought; he is already fully committed to Quebec's right to self–determination.

Although the hon. member for Calgary West was uncomfortable about explaining his party's position, he still referred to this Swiss–cheese Quebec, this Quebec full of holes.

One of the basic elements of the right to self–determination is territorial control. The Quebec National Assembly, our provincial legislature, has control over the territory it was given under the acts that led to establishment of the 1912 boundaries, according to the interpretation given by the Judicial Committee of the Privy Council in 1927. These are the present boundaries of Quebec, stretching from the Outaouais to the Magdalen Islands, and from the Gaspesian Peninsula to the Abitibi. This territory is clearly defined, here, with the Ottawa river, as well as with the Gulf of St. Lawrence, the U.S. border and the polar circle.

These are clear boundaries, over which the Parliament of Quebec has absolute power, and no one is challenging that. When we hear Quebec being described as Swiss cheese, full of holes, with enclaves, corridors and ports that would remain under federal jurisdiction, that does not reflect the reality.

No one is disputing the authority of the Parliament of Quebec over the entire territory of Quebec. Every rule of international law recognizes that a people, a nation has authority over the territory under its control at the time it achieves sovereignty.

If the people of Quebec had voted yes to the question put to them on October 30, there is no doubt that Quebec would have control over the entire territory of Quebec. No one is denying that every RCM, municipality and local government in Quebec is subject to the legislative and constitutional authority of the Parliament of Quebec under section 92 of the Constitution Act, 1867.

That being said, in order for the territorial integrity of Quebec to be affected, the suggestion—I would say the seditious suggestion—would have to made that some portions of Quebec rebel against the legislative authority of the Parliament of Quebec, which neither Reform members nor our other colleagues in this House are suggesting.

I think that the greatest lesson we were taught by the October 30 referendum and will be again in the future is the fundamental respect not only for our institutions and our territories but also, fundamentally, for the people. Because sovereignty is not something that happens first and foremost at the institutional level but fundamentally at the grassroots level.

Because we have been living for decades, and even centuries, under a regime that largely reflects British values and precedents, we have a tendency to rely more on institutions than on the peoples for whom these institutions exist. However, when a people wants to achieve self–determination, there is a basic obligation to respect that fundamental choice.

• (1155)

On October 30, Quebecers said no to the question put to them. And it is with the utmost respect for democracy that everyone accepted that decision, even though it was, for all intents and purposes, made by the smallest of majority.

In a democratic system, the rule is 50 per cent plus one. In this case, it worked in favour of the no side. Had the results been reversed, the Prime Minister himself said that he might not have recognized them. But the rules cannot be set once the game is over.

These rules must be agreed on before the beginning of the game. For example, it would be preposterous if, during a final between the Toronto Maple Leafs and the New York Rangers, the governors of the league decided, at the end of the best of seven series, that the series would now be a best of nine, because Toronto won. Again, the rules are established before the game begins. And the rule here is that the people is sovereign.

I am pleased that the hon. member for Saint–Henri—Westmount, who is here and who supported Bill 150 in Quebec's National Assembly, which affirmed Quebec's right to self–determination, now sits in this House, because she will hopefully convince her colleagues from the Liberal caucus of the validity of these claims.

This said, I will have an opportunity later today to speak at the report stage on Bill C–110 and to talk more about the bogus veto the government wants to give every man and his brother.

[*English*]

The Acting Speaker (Mr. Kilger): Before giving right of reply to the hon. member for Hochelaga—Maisonneuve, under whose name the motion we are presently debating stands, I want it to be very clearly understood by all members of the House that his will be the last words spoken on the motion.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I consider our debate particularly rewarding. I believe the word "gall" will pass in parliamentary language, but I will use the word "nerve" instead. It takes a certain amount of nerve on the part of our colleague and continued friend for Calgary West for him to rise in this House and say we are not a people, because, as the people of Quebec watching will have understood, the member, in his sometimes unparliamentary spontaneity, clearly said that he did not consider Quebec was entitled to self–determination, because Quebecers were not a people. I find something extremely disquieting in the desire to engage in dialogue on this basis.

I realize that there has been a federalist movement in this House and throughout our history. It is entitled to be heard and to speak. I do not think, however, that you will find many in Quebec, whatever the family, who will not acknowledge that we are a people.

Quebec's parliament, the National Assembly, has in three official documents acknowledged that Quebecers are a people and, in doing so, has accorded the province the right to self–determination. These documents, which have been fairly unanimously approved are: the act to establish the commission to determine the political and constitutional future of Quebec, the act respecting the process for determining the political and constitutional future of Quebec and the motion of the National Assembly of 1991.

When I was a student, I read with pleasure, whether the reading was assigned or optional I read with equal pleasure, the writings of the member for Vancouver Quadra, who joined with Senator Beaudoin in writing a book. I thought he belonged to a school that recognized Quebecers as a people. It is true that our being a people does not automatically entitle us, under international law, to the right to secede. What prompted the five legal experts to conclude that we did have the right to secede was the rejection of the 1982 Constitution. There is a convention in international law which says that a people cannot decide by itself it has a right to self–determination unless that right has been recognized. As part of their grounds for determining the right to self–determination under international law they used the fact that Quebec did not ratify the 1982 Constitution through the most legal of channels possible.

• (1200)

At any rate, as the member for Hochelaga—Maisonneuve I understand, as do my colleagues, that in a democracy one cannot be more sovereignist than democratic. One is equally sovereignist and democratic, but by virtue of being as sovereignist as we are democratic, we are well placed to understand our right to hold a referendum in the future. No smoke and mirrors on the part of the federal government can deny Quebec the right under a law passed by the National Assembly, a law on public consultation, to go to the people and offer them the opportunity to choose and to mandate their government to achieve to sovereignty.

When that day comes and there is a majority behind that mandate I am sure our colleagues, both in the government party and in the Reform party, will understand that they have no choice but to sit down at the negotiating table and engage in a dialogue on the basis of total equality, nation to nation, as should have always been the case.

The Acting Speaker (Mr. Kilger): The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, this item is dropped from the Order Paper.

[*English*]

Later today the House will go through the 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.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT INSURANCE ACT

On the Order: Government Orders:

December 1, 1995—Minister of Human Resources Development—Second reading and reference to the Standing Committee on Human Resources Development of Bill C–111, an act respecting employment insurance in Canada.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I move:

That Bill C–111, an act respecting employment insurance in Canada, be referred forthwith to the Standing Committee on Human Resources Development.

He said: Mr. Speaker, the purpose of this motion is to refer the new employment insurance bill to the Standing Committee on Human Resources Development. By referring the bill directly to the committee, we signal our commitment to invite and engage the largest amount of direct public participation.

This bill was derived from the very extensive public consultation which has taken place over the past year. The work of the Standing Committee on Human Resources Development has pulled together much of that information and has provided extraordinarily valuable input toward the development of the original legislation. It is our hope that by giving the committee the earliest opportunity to listen to Canadians and hear their various points of view, we can improve the legislation even further and ensure that we get an active and involved commitment and engagement.

We all recognize that this is important legislation. It affects the lives of millions of Canadians. It is a major restructuring and modernization of a bill which will provide for new opportunities for people to get work and to have a hope of once again being employed.

We have come up with an approach which has been carefully constructed and is balanced and fair. It may not satisfy one special interest or the other but it does provide a proper equitable balancing of interests across Canada. We believe the bill is consistent with what Canadians want. We listened very carefully to them and we listened very carefully to what the committee said.

What we have heard is directly reflected in many of the recommendations and parts of the legislation. It upholds our responsibility to ensure the program is based on solid insurance principles while at the same time provides a strong combination of incentives which enable people to get back into the job market. It is about jobs; it is about people. It is about jobs finding people and people finding jobs. It has shown that we as a government and as a Parliament can construct a new system. We can restore for many Canadians an opportunity to once again become full participants in Canada's labour market.

• (1205)

If it is shown, as I believe it can be, that legitimate improvements and constructive proposals are needed, we will look to the committee to bring those ideas forward and apply its judgment and wisdom in that application.

For example, in the last week or so we have heard that some areas are concerned about work patterns in parts of Canada. We hope that the committee will take a careful look at that.

Minority groups have expressed concern that they will not have full access to training because of the new development of transferring training to the provinces. Some are concerned that their rights be protected. We certainly hope the committee will take those matters into account.

We are also very interested in how the transitional jobs fund will work to create good, solid, long term jobs for people who are in high unemployment areas. Again, we expect and hope that the committee can provide major guidance in this area.

These are just some of the issues I believe the committee may want to look into.

We should not lose sight of the hard evidence that has been provided throughout the debate which has been encouraged over the last week. The House and the committee will be looking at how the new program will extend eligibility for coverage under the program to over 500,000 Canadians, something they have not had before. We demonstrated that the change of going from a weekly to an hourly based formula will be equitable, particularly for tens of thousands of seasonal workers who work long hours for short periods of time and who could not qualify under the old system, or who were not given full credit for all their hours of work.

We have also spoken about the innovative family income supplement which has been widely approved across the country. It will provide 80 per cent of benefits for families of low income, those earning under $25,000, mainly single parents, by introducing a form of guaranteed annual income which has been talked about in this country for a long time. As a result, over 350,000 low income families will receive on average 7 per cent to 15 per cent higher benefits in the new program than under the old program. This is a true, progressive, liberal minded initiative.

[*Translation*]

I mentioned new partnerships with all levels of government and the opportunity for federal, provincial and municipal governments to concentrate their efforts where it counts, at the local level, in our communities, while respecting the responsibilities of all concerned.

[*English*]

In the brief time I have today I want to go back to the importance of developing this partnership for jobs, bringing the levels of government together to work in common, harmonize and work in partnership so that we can help create employment for Canadians in every part of Canada.

A key impact of this reform has to do with income. Not benefits but income. Providing ways for people to earn more money, to sustain themselves, their families and their communities is a key component of the objectives of the program. Many unemployed Canadians need more than just income support as a bridge between jobs. The new employment insurance system will build a better, stronger, wider bridge to help them make a more solid, long lasting connection to the work world.

The employment benefits we are proposing are made up of five new back to work measures and provide real, positive help to get people back into jobs. We have tested these measures and we know they work. We know that wage subsidies can help level the playing field for people facing a disadvantage in the workplace, especially women and young people.

I want to underline that we are seeing a 70 per cent to 80 per cent improvement in job retention, allowing 14 to 15 more weeks of work and up to $5,000 more a year in income earnings. This is far more than would be received under a benefit program.

[*Translation*]

Self–employment assistance will help people start a business. During the past two years, this program has helped 30,000 individuals start their own business and thus has created 60,000 jobs for Canadians.

[*English*]

Also in these employment measures are the job partnership projects. For example, one in New Brunswick is now enabling 1,000 older workers who lost their jobs in the forestry industry to go back to work, particularly in reforestation, rebuilding a resource, replanting for the next generation. They are now involved in passing on their skills and doing so in a rewarding and satisfying way.

• (1210)

There is also the individualized skills, loans and grants which, if the provinces agree, will enable people to use the opportunity to upgrade themselves so that they can get the new jobs available in the new economy.

Another tool, the income supplements, will increase the incomes of people by encouraging them to take jobs sooner. For example, this will help unemployed single parents to get back on their feet and gain new skills and experience. The early analysis of a self–sufficiency project we have been running in British Columbia and New Brunswick shows that the average hourly starting wage during the first year was $7.63 and that one–third of the participants were making at least $2 more than the minimum wage. Thirty–five per cent of single parents offered supplements leave welfare to work within a year compared to an average of 2 per cent or 3 per cent under normal circumstances. Again it shows that the tools work and work effectively.

We will be investing $800 million on these five extra tools of savings. This will be added to the existing $1.9 billion of our programs. There will be a total of $2.7 billion in helping people get jobs. Those who dismiss this reform as mere cuts should reflect on this number and what it represents in terms of new opportunities for Canadians. It means that 400,000 unemployed workers will get additional help to find a job. Therefore, those who are opposed to such reforms are basically saying to over 400,000 Canadians that they do not want to help them.

This legislation is designed to provide the opposite, to provide a new bridge and a new tool. I can only say we are very much looking forward to the active and engaged work of the committee. We hope it will provide us with an opportunity to hear the best judgments and accumulated ideas of Canadians and in particular, to let the committee help formulate the legislation in a way that can most effectively service its basic opportunity, which is to get people back to work.

[*Translation*]

The Acting Speaker (Mr. Kilger): I simply want to advise the House that for the purposes of this debate, hon. members are entitled to 10–minute speeches, without questions or comments.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the official opposition deeply regrets that the government should resort to this exceptional procedure and thus deprive the public of information, of a debate, televised for the benefit of individuals across Canada, on this extremely important bill.

At this stage, according to the usual procedure in Parliament for dealing with bills, we would normally be at second reading, and the official opposition would be entitled to one 40–minute speech, followed by 20–minute speeches by as many members as wish to speak. We could then propose amendments and keep the public informed.

The official opposition and the third party play a crucial role in ensuring that citizens are aware of the subject and substance of a bill as important as these unemployment insurance reforms which, over the years, will affect hundreds of thousands of Quebecers and Canadians.

However, within the very short time frame we have been allowed, we will hardly have time to say that this bill, despite all the denials of the minister and his attempts to claim the opposite, and despite the improvements he will make in the bill, and we will certainly participate in that process, that basically this bill is aimed at making more savage cuts in benefits for the unemployed.

• (1215)

This $2 billion in drastic cuts is in addition—I can never repeat it often enough—to this year's cuts of $735 million in Quebec and $620 million in the Maritimes. Quebec will lose another $640 million by the year 2001.

Contrary to what the government implies, $800 million of this additional $2 billion will not be set aside for other active measures, as the information papers we have been given clearly specify. It is right there in black and white.

The truth is that this $800 million from the UI fund will replace the $600 million that used to come from the consolidated revenue fund, which means that, in reality, all of Canada will get only $200 million more over five years. What is true is that $600 million will come from the UI fund rather than the consolidated revenue fund, as indicated in the papers and information given to us by senior officials during the briefing.

The reality of this bill is that qualifying for UI will become much more difficult for women, young people, seasonal workers, new immigrants, and all those not already eligible. It will become much more difficult in a labour market of precarious, short term jobs that often arouse feelings of anxiety, frustration and despondency in those trying to make a living in such a market.

This reform targets certain classes of persons. It is directed at specific job markets, starting with the Atlantic provinces and Quebec.

Looking at the charts prepared by senior officials of Manpower and Immigration Canada, we are astounded to find that certain classes of persons, namely repeat claimants, seasonal workers and newcomers, are indeed larger in eastern Canada and Quebec.

I think it is safe to say, at any rate, this is not a matter of human nature because this would mean that human nature has special characteristics in the Atlantic provinces and Quebec that it does not have in western Canada. It is not human nature that is different, but the job market.

The official opposition will be participating very actively in this committee. Not only will we listen to every person or group of persons who want to come and tell us what is wrong with the UI plan and who expect this plan to really be an employment insurance plan but we will also denounce, every chance we get, this unhelpful attitude of hiding a deficit cutting measure behind fancy rhetoric.

• (1220)

The official opposition will make every effort to ensure that workers, in fact any person who may have to rely on UI, can have access to it in the way that is the most beneficial to them. Yes, some active measures are required, and we in Quebec have implemented such measures and asked for such measures to be implemented, so that people can have access to benefits derived directly from premiums paid by workers and businesses.

Having listened to the people of Canada and Quebec, we know that these active measures designed to help people find a job must not in any way take the place of jobs. We were told right across Canada, because we did tour the country, that the real issue is employment. It is not the will of people to work: it is employment.

Sure, we must do everything possible to help people qualify when there are jobs available. However, we must also stop making the jobless feel guilty by saying that it is their fault, particularly in light of the dramatic increase in the number of people actively looking for work, who can no longer tolerate not being able to live decently, have some hope, and have some stability in order, for example, to raise children.

This bill seeks to introduce twisted family policy measures, and we do not hesitate to say so. What is needed is a true family policy. As for the UI program, it should help by bridging the gap between jobs. Active measures should be left to the decision makers who are best able to decide. Quebec, as we know, wants to have total control over manpower policies.

It is unfortunate that the government withheld the information that would have put Canadians on track, in terms of the reforms needed, instead of merely making speeches that do not reflect reality.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the history of unemployment insurance in Canada dates back to 1919 when the concept was first discussed. It finally became a legislated labour market institution under the government of Mackenzie King.

Let me read some of the quotes from that great debate in 1940 which focused on the original intent of unemployment insurance:

> We recommend to your government the question of making some provision by a system of state social insurance for those who, through no fault of their own, are unable to work, whether the inability arises from lack of opportunity, sickness, invalidity or old age. Such insurance would remove the spectre of fear which now haunts the wage earner and makes him a more contented and better citizen.

I have a second quote:

> How much unemployment there will be and over what period it will last is impossible to forecast. But, whatever it be, there must be a great deal of unemployment which can only be dealt with in one of two ways: either by a considered scheme of insurance or by state doles, hurriedly and indiscriminately issued when the moment of crisis arrives. There can be no question which is the better way. State doles lead straight to pauperization. A well devised scheme of insurance preserves the self-respect of the worker and assists and encourages him to supplement it by provision made industrially through an association.

• (1225)

I am well aware that we are debating a motion to refer this bill to committee prior to second reading and that the government will tell us that doing so is supposed to provide the committee with greater opportunity to make amendments to the bill. However, as we all know, the fact is that this mechanism which the government introduced into the standing orders shortly after taking power, has been consistently used to limit debate in the House and as a mechanism to speedily move controversial legislation through the parliamentary process in a manner which minimizes opposition.

I vehemently oppose sending the bill to committee prior to second reading. I believe that every member of Parliament should have an adequate opportunity to speak to the bill in the House of Commons, where they may both pose and respond to questions from their colleagues and opposition members. By drastically limiting debate, the government is demonstrating its complete disdain for such a parliamentary process.

Nevertheless, this is a House of free speech and I have written something which reflects my view of Bill C–111. Goodness knows, it is always a challenge to pique interest in House debates. In any event, I give the House my version of the 12 days of Christmas.

On the first day of Christmas the Minister of Human Resources Development, known as HRD, having no understanding of the meaning of insurance, gave us one more long awaited non–reform. Carried along on the mantra of job creation, we received our year end Christmas gift: employment insurance.

On the second day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us two hard working Canadians who, despite their considerable financial contributions to UI over all of their working lives, died without ever having received a penny of benefits: taxed to the grave.

On the third day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us three French Canadian leaders who, to no one's surprise, babbled on incessantly about Quebec and how unemployment in Quebec was distinct from all other unemployment in the rest of Canada and who felt, as always, that no one understood them.

On the fourth day of Christmas, the minister of HRD, having no understanding of the meaning of insurance, gave us four calling premiers from the Atlantic region; calling for this, calling for that and finally, completely worn out from all of the calling, the minister of HRD called it quits to reform and went back to tinkering.

Five suffering regions, formally known as ten equal provinces, are all demanding more from less. Regional development boondoggles remain an active ingredient in the magic of creating jobs, jobs, jobs.

On the sixth day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us six government strategists laying future plots for further tax grabs. After all, the implementation of the employment insurance scheme does not begin until July 1996, with a phase in period to full implementation extending to the year 2000.

On the seventh day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us seven assistant deputy ministers swimming in UI cash surpluses. These new found friends of the finance minister will help him meet his deficit target of 3 per cent of GDP in hidden taxes, EI premiums and not reduced spending.

On the eighth day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us eight milking tax collectors who targeted the part time worker, the working mom and the small business owner. So much for tax relief; just continued taxes on the tax oppressed.

On the ninth day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us nine drumming seasonal workers who expressed outrage at being encouraged to accept available jobs in the shoulder season. The government forgot to mention that under the new rules, claimants can still receive UI benefits equal to as much as 110 per cent of their earnings from employment.

On the tenth day of Christmas the minister of HRD, having no understanding of the meaning of insurance, gave us ten piping journalists who heralded the miracle of changing UI to EI and gave us the new meaning of "un".

• (1230)

On the eleventh day of Christmas, the minister of HRD, having no understanding of the meaning of insurance, gave us 11 dancing parliamentary committee members who, as the good Liberals they are, followed Government Orders to limit debate and refer Bill C–111 to committee before second reading, another promise broken by a government whose promise was for openness.

On the twelfth day of Christmas, the minister of HRD, having no understanding of the meaning of insurance, gave us 12 leaping bureaucrats to promote jobs and growth. They called this new program the job fund. This $300 million initiative is sure to sustain at least the 12 jobs enjoyed by these bureaucrats.

Merry Christmas.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I am pleased to support the motion before us today, since it will allow us to consider Bill C–111, on employment insurance immediately.

With this motion, the government shows the importance of this legislative measure and the need to immediately undertake detailed consideration of its content.

The proposed reform is a very complex one. It has been discussed for months and months now, openly and publicly across Canada, and if there is one consensus that has emerged from these consultations, it is to give a new orientation to the entire unemployment insurance program.

It was quite a challenge: how to give a new direction to unemployment insurance? During these consultations, a number of ideas were proposed. What we have before us today represents a real change of direction, a major reform of what used to be unemployment insurance. It needs to be really well understood, which is why we shall need to take all of the time available in committee to study this change of direction and to ensure that the bill before us will really meet the objectives we have set.

Those objectives are, of course, part of our overall job strategy. I believe that each and every person in this country understands just what a priority it is for all Canadians have jobs, to keep their jobs, or to create jobs. Unemployment insurance reform was considered in that overall context. It is but one element in this government's strategy for maintaining jobs and creating new ones, not a strategy in itself.

Over the years, we have seen that the unemployment insurance program as it existed led to a number of problems. First of all, we have seen how very quickly the costs have risen. Just think, in 1982 the program cost $8 billion, while by 1995 it was up to $16 billion. With the passing years we have seen the program being overused. When I say overuse, it is certainly not my intention to blame workers who receive unemployment insurance benefits, as the official opposition seems to imply, but it is a fact that over the years, the unemployment insurance plan had become more like an income support plan. We also found that the system was overused by employers to the extent that it influenced their hiring approach. That is why we had to get back to the basics.

• (1235)

We also found that over the years inequities had developed in the system. It was designed at a time when employment was widely available, when people worked from 9 to 5, 35 hours a week. That is no longer the case in 1995. So a number of inequities had developed in the system, and I am thinking more particularly of part time workers. Working part time has become a way of life, so how can we make the system available to part–time workers as well?

We also found that the system tended to favour those on higher salaries, when we looked at how benefits were distributed. Could we restore a measure of equity to the unemployment insurance system? That is why what we have here is a thorough reform. This is a new system that wants to give workers and employers an incentive to maintain jobs and create jobs.

So there are three important elements in this reform. Number one: unemployment insurance benefits; number two: employment benefits, and number three: a transitional job creation fund to help the most disadvantaged regions in our country. I think this reform is comprehensive in its approach to these dimensions.

I would like to say a few words about employment benefits, because since this reform was announced by my colleague, the Minister of Human Resources Development, we have heard a number of views on these employment benefits, how they will be implemented, how we will work together with the provinces to give our workers an incentive to be on the labour market and our employers an incentive to maintain jobs.

I think it was very clear that in this reform the government was intent on developing pro–active employment measures. That is why it has specifically identified five employment benefit measures. The government intends to develop, implement and evaluate them with the provinces. So, imagine my surprise at discovering last week that the Bloc Quebecois in its opposition day motion was criticizing the unemployment insurance reform, saying it increased overlap and duplication.

I must say that I could see our friends opposite had not yet read the bill, because the reverse is clearly true. We are in fact trying to avoid overlap and duplication. I also heard it said that the federal government wanted to supervise the provinces, because the bill defined requirements for employment measures. So, here again, you can imagine my surprise.

The bill talks of guidelines. There is nothing about national standards. It talks about guidelines. There are six different guidelines. Let us have a look at them and see how a provincial government could object to them. The first really aims at avoiding overlap and duplication. Clause 57 of the bill provides that we are to aim for:

> (*a*) harmonization with provincial employment initiatives to ensure that there is no unnecessary overlap or duplication;

That seems clear. Every effort must be made to ensure that there is no overlap but rather complementarity when a province already has employment measures.

• (1240)

In this regard, as far as Quebec is concerned, I must tell you that it is quite a challenge, because there are now something like three service delivery networks in Quebec. There is the Société québécoise de développement de la main–d'oeuvre, which has offices in all regions of Quebec; the Travail Québec centres, which are scattered throughout the province; and the Employment Canada centres.

Even within the province of Quebec, there is an obvious need for harmonization between the Société québécoise de développement de la main–d'oeuvre, the Travail Québec centres and the Employment Canada centres.

This is one of the guidelines; there are five others that show our desire to be as flexible as possible. I cannot see how a province could object. But again, this bill will be referred to a committee for consideration and we will see how it can be improved.

Looking at the overall impact of this bill on all Canadian provinces and at Quebec's situation, I can tell you that Quebec comes out ahead. At the present time, for every dollar contributed, Quebec receives $1.33. After the reform, for every dollar contributed, it will receive $1.31. Quebec will still come out ahead.

In addition, like any other province, Quebec will have control over employment benefits, as it has always demanded over the years.

Both sides must show some goodwill. In this regard, I want to commend the open–mindedness of Quebec's Minister of Employment who, unlike the Bloc Quebecois, agreed to sit down with us to determine how we can provide better services to Quebec workers.

In conclusion, I hope that the committee will help improve and enhance the bill before us.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, this is not how I had originally planned to start my speech and, even though we are given only ten minutes, I would like to share my first reactions with the Minister of Labour.

She claims to have been very surprised by our response. She did not look that surprised when I saw her on television over the weekend, as she addressed a group of Quebecers, including members of the Liberal Party of Quebec, who reminded her and the public at large of the consensus in Quebec in favour of seeing all the money earmarked for employability development and occupational training measures as well as all employment–related services be handed over to the Quebec government, which must be in charge.

In our view, being in charge does not mean being responsible for implementing national standards or reaching national goals imposed by the federal government. This is a clarification I wanted to make at this stage. In a way, the Minister of Labour tried to divert the debate onto that subject. I would like to come back to the substance of this bill, such as the objectives that the Minister of Human Resources Development outlined this morning.

He started by saying: "You know, we are taking a special measure in the House to ensure that this bill goes to committee as soon as possible". He made this appear to be positive.

It should be pointed out, and you know that it is, Mr. Speaker, that this is an exceptional measure, a type of measure that this government has used three or four times already over the past two years, supposedly to speed up the process. We must look at the context.

If consideration by the committee was so urgent, and I am putting the question to the government, why did it wait for so long after tabling the green paper and after last year's tour, to bring this bill back to the House? The government waited for something called the Quebec referendum on sovereignty.

• (1245)

It waited for the referendum, because it knew that introducing a bill that provides for cuts totalling some $2 billion, including $600 million in Quebec, might influence the outcome of the referendum. So, the government waited until after the referendum. Still, it could have tabled its bill a few days, or even a few weeks after the referendum. Instead, the government brings this legislation back to the House on the Monday of the last week before the Christmas recess.

Why? To get a better idea of what Canadians think of the bill. Oh, sure. The minister knows full well that December is like the summer months. The media are less interested in such debates, and the public does not read the papers or follow the media as much, because it is busy doing other things.

The government has the nerve to say that it is to make things easier. Come, now. The human resources committee will probably sit this week. What does that mean? Interested groups will be asked to submit briefs in January; in short, those wishing to present such a brief will have to take time during the holiday season to prepare a brief, have it approved by their officials, and make sure it gets here before the deadline. This is not democracy, it is just the opposite.

It is an old trick used by many bodies. I have seen it used by municipal governments, namely to present controversial projects during the Christmas or summer holidays. It is an old trick often used. It is not very clever, it has been done before, and anyone with any degree of critical sense can see right through it.

We are being presented with this and, of course, we will attend committee proceedings. But for the sake of this, we are sacrificing the debate which should have taken place in the House, starting with 40 minute speeches followed by 20 minute speeches by as many members as were interested in expressing their views, from both sides of the House, the official opposition, the government, and the third party.

But instead, the government wants to consult. The parliamentary secretary might remember the consultations we held last year in December. The weather was not very cold yet. We started in mid–November and kept at it until the Christmas holidays. We went all over the place, in every major city, and no one, no organization supported the government 's position, on the contrary. Between 75 and 80 per cent of the people we heard were against the government's proposals.

And this is supposed to be a government that listens? No, Mr. Speaker, it does not. It does remember, though. Last year, in every city it toured, it was met with protests. It remembers and is thinking: "If we act faster, we might hold the hearings in Ottawa, and people will appear in committee there".

I challenge the government to go and present its UI project in major cities. I bet it will not do it, hoping to proceed unnoticed, in the deep of winter. The committee will get briefs from national organizations, but not from citizens. I remember the last hearing, last year in Bathurst, when Acadians came to tell us how difficult and dangerous it would be for this part of New Brunswick. They feared the worst, because of the cuts the government said it would make somewhere. This time, we are not going to do the same.

As opposition critic for training and youth, I would like to take the last few minutes I have left to tell you how much damage this bill will do to young people in particular. The minister was saying: "This bill is very progressive". I say this bill is regressive. The minister was talking about fairness for everybody, I say that, on the contrary, it is unfair for young people. Why? Because from now on, to be eligible to unemployment insurance, you will need 910 hours of work, instead of the current 300 hours.

This bill is not only bad for young people, it is also bad for women who re–enter the workforce. After raising their children, many women would like to get a job, but they will be in the same situation as young people. This legislation is also regressive for new immigrants looking for jobs after landing in this country.

• (1250)

The 910 hours mean 26 weeks at 35 hours per week. This is a considerable number of hours.

Before that 20 fifteen–hour weeks, that is to say 300 hours of work, were enough for first time claimants to qualify for benefits. After the reform you will need 26 thirty–five–hour weeks, that is to say 910 hours of work, to be eligible for benefits.

Before the reform 12 fifteen–hour weeks, or 180 hours, were enough to qualify for benefits in areas of high unemployment.

After the reform 28 fifteen–hour weeks, or 420 hours of work, will be necessary to be eligible for benefits in areas of high unemployment.

Before the reform, people who were already entitled to unemployment insurance and who had worked 20 fifteen hour weeks, or 300 hours, were able to collect benefits in low unemployment areas. After the reform, they will be able to collect benefits if they have worked 20 thirty–five hour weeks, or 700 hours.

Here is another case of inequality. For frequent users, namely people who have been on UI three times in five years, there is an absolute guarantee that their benefits will be reduced by at least 1 per cent each year, which is at least 5 per cent in five years. This category of unemployed workers will definitely lose out. And the government says yes to equity? What the minister is saying about equity is that a number of people who were working less than 15 hours a week did not have to pay UI premiums. Now, everyone must pay from the first hour of work. However, there is no guarantee that they will be able to benefit from it, quite the contrary.

According to the Canadian Labour Congress, in 1970, 77 per cent of unemployed workers were covered by UI. This percentage would be less than 50 per cent today. The Canadian Labour Congress estimates that, with the reform, two unemployed workers out of three will not be eligible for benefits. Is that equitable? Is that progressive? I say no.

Since you are inviting me to do so, Mr. Speaker, I will conclude by pointing out that if this reform had been known in detail in the form of a bill and if a real consultation was still going on in an appropriate context and an appropriate period, and if this period had been established before the Quebec referendum, I tell you sincerely that we would now be talking about other things in this House, because this reform would not have been adopted.

[*English*]

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I rise to speak against the Bloc motion being debated today. The reforms of Canada's unemployment insurance are not only overdue. In many ways they do not go far enough and are too complex. While the reforms will impose hardship on some Canadians, they will at the same time bring much larger economic and social benefits to society as a whole.

I make this judgment after much study. In my career as a professional economist I was deeply concerned with the economic and social effects of unemployment insurance. In the mid–1970s I published a number of studies and organized an international conference that examined the effect of the level of benefits and ease of access to UI on recorded unemployment rates in Canada.

A few years ago I published a study that argued the large gap between Canadian and U.S. unemployment rates, which first appeared in the early 1970s, was caused by the increased generosity of our system initiated by Canadian reforms at that time. Incidentally the co–author of this study was Dr. Josef Bonnici, a former student of mine who is presently the minister of finance for the Government of Malta.

In February 1996 I will participate in a major conference of social scientists which will re–examine the issue of Canada–U.S. differences in unemployment rates to be held in Ottawa. My work on the effects of unemployment insurance on unemployment was fundamental economic theory which in turn guided reproducible econometric measurement co–authored by several colleagues and experts in this field.

• (1255)

Our results were verified by the economic council. It is fair to say that today even the left leaning part of the chattering class of academics, journalists and other intellectuals has accepted the validity of the basic premise.

Assar Lindbeck, a famous Swedish economist who is a strong supporter of social democratic policies, recently published a paper in which he noted that social support programs like unemployment insurance induce the creation of institutions and ethical norms which increase the demand for the support programs.

The chattering classes in the past tended to infer from my analysis that I recommended the abandonment of unemployment insurance. I never did. The policy issue has always been the correct level of UI benefits and ease of access which maximize overall social welfare. There is no doubt the more generous the system is, the higher is the welfare of those receiving the benefits. However, on the other hand, the higher the benefits, the higher the unemployment, the higher the premiums payable by workers, the higher the risk of dependency of habitual users, and a host of other economic and social costs.

For a long time the political culture in Canada has resulted in the denial that these costs exist or, if they exist, that they are largely relative to the benefits received by unemployed.

About 15 years ago I was asked to be a guest on "Cross Country Check–Up". The views expressed during that period on the subject were most extreme. However, most important, as Claude Forget told me after he found that his report on the issue was ignored by the political system, the case for a less generous system has no political constituency quite simply because the economic and social benefits are diffused and poorly understood.

Those suffering from the reduction of benefits are clearly identified and well organized. No political party in Canada could afford to make the system less generous. This was true until recently when the Canadian debt and deficit began to threaten the very existence of all social programs.

The shift in the perceived political payoff from doing nothing and making UI less generous has not come easy to people like the Minister of Human Resources Development who used to deny vehemently even the existence of insurance induced unemployment and other costs. The timid and convoluted reforms to which his ministry gave birth reflect the struggle he had in admitting that these undesirable effects not only exist but are very costly to society.

Let me return to the Bloc resolution being debated today. It is true, as it states, that UI reforms will make some Canadians worse off, especially those in seasonal industries. However, my long and intense study of the UI system has convinced me that these reforms at the same time bring substantial benefits to many other Canadians so that overall welfare has increased. This certainly has been the finding of a number of royal commissions which looked at the question.

A basic theorem in economics is that under conditions like these, where some gain and some lose from a given policy, the government should offer assistance to those who have been asked to carry the burden of adjustment. After all it was a government created system, not their own fault, which caused them to enter these seasonal industries in excessive numbers and at non–economic wages. At the same time the rest of society which benefits from the changes may be expected to pay for easing the costs of transition for those asked to bear them.

For this reason I take the opportunity to urge the government to stick to its reforms and possibly strengthen them while at the same time make more generous provisions to ease the pain of transition felt by those affected adversely and directly by the reforms.

• (1300)

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am pleased to rise in support of the motion made by the Minister of Human Resources Development to refer Bill C–111 to the standing committee.

We have every reason to move forward with a thorough examination of this bill by a committee of the House. We have every reason to allow an early public review of its provisions. We have no reason to hold back and nothing to gain by preventing the broad consultations necessary with such an important piece of legislation.

All members of this House recognize that this is a very important bill. It has been the subject of vigorous debate and intense questioning from all sides, yet throughout the debate we have seen something very rare: the unanimous agreement on the central point of this legislation. We all agree that we need to reform the old UI program. Throughout all the debate and questioning, no one has suggested that the status quo is acceptable. No one has suggested that we can afford to leave things as they are. Everyone has spoken of the need to find a better way to help unemployed Canadians.

This rare unanimity reflects a broad consensus throughout the country. More than 100,000 people who took part in the consultations said we need a better jobs system for Canadians. Almost nine out of ten Canadians told us we need a fundamental overhaul of the old UI program to make it work. Provincial leaders, business groups, professionals and community organizations have spoken clearly over the past weeks about the need for change. Bill C–111 presents a clear and progressive agenda for change.

Now we have an opportunity to hear from Canadians about this agenda. Members of the House have an opportunity to subject the bill to the rigorous examination of standing committee hearings. We have an opportunity to use our time well over the coming weeks to make the debate on Bill C–111 more inclusive, to open up the process, to consult and to listen before we proceed with the legislative process when the House resumes.

It would be inexcusable to delay these consultations. Every day we delay we put jobs and hope for thousands of Canadians on hold. Every day we delay we are perpetuating a UI program that is not only out of date but is actually hurting the people it is supposed to help. We are perpetuating a system that leaves too

many Canadians stuck in the past when what they need is a springboard to help them change, adjust and adapt to the future.

The new jobs system, employment insurance, will make it easier for people at risk to work longer and encourage employers to keep people in their jobs longer. Think about what that means. Think about what it means to the 400,000 Canadians right now who find themselves stuck in a constant rut of getting from one benefit program to another.

If the new system can get those people just one additional work week, we will save the entire system $50 million, money we can plough back into the system to turn that one extra week of work into two, two weeks into four, four weeks into eight. Instead of a cycle of joblessness we can create a new cycle of employment and hope for almost half a million Canadians who want to work and deserve an even break.

That is what this new jobs system is all about. Think what it means for the thousands of people who can move into new jobs created by small businesses across the country. Right now the old UI program is killing those jobs every day. A survey of small businesses in Atlantic Canada tells us that employers just cannot compete with the UI system for workers.

With our new jobs system we will cut insurance premiums, the tax on jobs, to assist them. We will create a system that supports employment and job creation instead of one that perpetuates unemployment. Think of what it means to the hundreds of thousands of job seekers who will get direct help through new employment benefits, help that is more effective, that is more flexible, that will get results faster than anything they can get now.

• (1305)

With wage subsidies, each year we will be able to help some 65,000 people get off benefits and into jobs. Studies show that these subsidies can help each one of these people increase their income and gain an average of 17 additional weeks of employment each year.

With earnings supplements we can help make work pay for some 75,000 workers each year, people who deserve more than the old UI treadmill. We know from joint pilot projects with New Brunswick and British Columbia that these supplements get results and help people secure their place in the workforce.

We will help thousands of Canadians each year create their own jobs through self–employment, a key driving force for job creation and growth in the new economy. Studies show that by providing the right kind of support at the right time, people who were without work can create businesses that last and create new jobs by hiring employees.

We can create new job creation partnerships, mobilizing the resources of the provinces, community groups and organizations across the country to help people adapt to the demands of the new workplace, increase their earnings and gain the independence that only a job can provide.

We can work with the provinces to help individuals through skills loans and grants, giving more opportunities for people to make a real investment in their own future, to get the kind of skills required to enter the job market of the 21st century from a position of strength.

We can make this kind of assistance, all of these employment benefits more accessible to more people: to some 500,000 part time workers who are not even covered by the UI program; to people who have simply been abandoned by the old system, marginalized by a system that does not reflect the realities of the 1990s.

Employment insurance is not just another version of the old UI program. It is truly Canada's jobs system for the 21st century. It is part of this government's agenda for jobs and growth. This agenda for jobs and growth is on track and it is working. We are getting the deficit under control in reality, not just in rhetoric. By 1997–98 the government's new borrowing requirements in relation to the size of the economy will be at the lowest level since 1969.

We are matching deficit reduction with an all out drive for job creation. Over the past year we generated almost half a million full time jobs, more than in any year since 1987. That is what this government was elected to do. We were given a mandate to get Canada and Canadians back to work. Bill C–111, employment insurance, is part of our agenda to fulfil that mandate.

Canadians need the opportunity now to review Bill C–111 through the kind of forum that only a standing committee of the House of Commons can provide. We can give them this forum now. We have no reason to put this very important review of an extremely important piece of legislation on hold. We owe it to Canadians to move forward. I urge all members of the House to support this motion so that we can look to the future.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, I feel that it is my duty to take the floor today to support the motion put forward by my colleague, the hon. member for Mercier.

We are now seeing the aftermath of the Martin budget tabled last February. As we feared, and it is even worse in the opinion of many, the unemployment insurance reform hits the most vulnerable among us.

The people in my riding, Lotbinière, already have an axe to grind against the Minister, Mr. Axworthy, who, with his reform, has deprived them of the services of the Victoriaville employment centre. In the middle of July, thousands of my constituents

were by my side in an effort to save personalized services near their homes. We got the assurance that that minimum would be maintained.

However, since then, the minister has been avoiding me and any opportunity to meet with me in order to settle the issue. I can tell you this was a prelude to the harmful effects of the Liberal government's reform.

• (1310)

People were afraid, and rightly so, that their employment centre would become a mere booth, which would have forced them to drive over 100 kilometres to get person to person services; you can imagine their reaction now that the reform is truly coming to light.

Before dealing with manpower development, I would like to warn people against the series of measures that, for the most part, are to come into force on Canada Day, the 1st of July. It is already a sad day, the government chose the date well. The Axworthy reform will hit those most in need hardest—

The Acting Speaker (Mr. Kilger): Order, please. I can understand that it is a slight oversight, but we must always refer to our colleagues either by their riding's name or the name of their department, not by their family name. I would simply ask the hon. member for Lotbinière to abide by that rule.

Mr. Landry: Thank you, Mr. Speaker. An impact study by the federal government demonstrates that people whose income is under $25,000 will be those hardest hit. This shift in policy by a supposedly Liberal government follows the lead of the Ontario and Alberta governments. It is hard to come to grips with the fact that the people opposite are not Conservatives.

The government resorts to policies that smack of the Reaganism of the 1980s, and are still being advocated by the American right wing. Apparently, some Canadians have been contaminated.

It is an understatement to say that the most disadvantaged among us will be affected. Women, young people, and part time workers will be subjected to a treatment that is far from benign. Considering that 1.5 million part time workers are women, that women make up 70 per cent of the part time working force, that one third of them would prefer to work full time, that 40 per cent of part time workers are under 24, you can tell which groups the Liberals are targeting. Eligibility criteria will drive them onto welfare.

The qualifying period will be increased from 12 to 28 fifteen hour weeks, or from 180 to 420 hours. Part time workers working from 15 to 35 hours a week will be hardest hit. This new eligibility criterion will impact most on women, young people and new UI claimants, that is those asking for assistance for the first time.

These people will have to work 26 thirty–five hour weeks, or 910 hours. In fact, eligibility requirements will triple for those who are filing their first application. As I said, this will greatly impact on women and young people, whether at the end of their schooling or when they return to the job market after a long absence.

Moreover, while the government is trying to make us believe it is ready to withdraw from any direct commitment in manpower training, it is in fact ignoring the consensus reached in Quebec about the transfer of federal resources and powers.

The minister and his leader claim they are withdrawing from manpower training, but in fact they are once again suggesting what the then Quebec premier, Daniel Johnson, a Liberal, had described as a bargain agreement back in 1994. Under the bill introduced last Friday, if there is no agreement with a province, the money invested in training could be given directly to individuals.

How can Quebec adopt an efficient manpower policy— which is what everybody wants, even the National Assembly, unions and employers—when Ottawa could go over its head and get away with it? In the previous legislation, the minister did not have the power to make agreements with one province or a group of provinces. From now on, it will deal with anybody it chooses. Provinces will be considered in the same way as municipalities or local organizations. Previously, under the national legislation on training, the minister had to consult with provinces before launching a program in this area of jurisdiction. Now, no limit is placed on federal actions. The sky is the limit.

If we look at the way the federal government does things, it seems highly improbable that it will eliminate overlap and duplication in the area of manpower training. The 1994 offer provided for the withdrawal of the federal government with financial compensation.

• (1315)

Under the Training Loans and Grants Program, Ottawa will bypass the Government of Quebec by giving directly to the unemployed funds that used to be transferred to the provinces. André Bourbeau, the Quebec employment minister in 1991, has condemned this tactic, declaring that what was unacceptable was that this approach was a total improvisation despite the fact that, more than ever before, government actions regarding manpower training must be planned and based on priorities.

Two years earlier, the Forum for employment had been a decisive step in the claims of Quebec regarding the transfer of responsibilities in manpower training.

As I said earlier, it was at that time that partners in the Quebec labour market, namely unions, employers and the government, agreed to ask that Ottawa hand over all of the responsibilities regarding manpower training.

No later than last week, the National Assembly of Quebec unanimously passed a resolution asking for the withdrawal of the federal government and repatriation of funds invested by Ottawa in manpower training.

Yet, both governments agree that changes are needed to manpower training programs. Minister Axworthy did declare, on page 30 of his discussion paper on the social program reform, the following, and I quote: "However, the system now is too hit–or–miss. That's why the results have been inadequate—There are too many mismatched programs, with inconsistent rules and too much red tape—Programs offered by different levels of government are often not coordinated. In short, the system must change."

In fact, the control that the federal wants to keep is only a pretext. Ottawa wants to use the $5 billion UI fund surplus to meet its deficit reduction targets. This clearly means misappropriating premiums paid by employees and employers, nothing more and nothing less.

Last Friday, the Conseil du patronat du Québec, whose members are definitely not sovereignists, asked Ottawa to leave manpower training to Quebec. So, if one considers what has been happening in the past few years, one realizes that men and women from all parties, of all political stripes, are demanding control over manpower training. I say it once again, I believe that Quebec or the Yukon, or any Canadian province, is in a better position to really know what is needed.

So, I wish that one day the federal government, as well as the hon. members opposite, will understand that not only manpower training, but also all related areas should come under Quebec's jurisdiction. Money should not be given directly to the unemployed, but, for the sake of a consistent policy, we should be given all necessary tools and levers. When I say tool chest, of course I mean all the tools we have inside it as well. Not just the box, but the contents, are needed for the thing to really work. Like the tools in their chest, people too need to find a fit within a province, whatever the province.

Whether that province is Quebec or one of the maritime or western provinces, I think we are all grown up enough to do our homework on our own. Only this past week the Conseil du patronat du Québec submitted a document, the stated purpose of which was to prove that federalism can work very well with decentralized manpower training. I am not worried in the least; over time the federal government will learn, and our friends across the way will realize that there is a place for everyone. Let us give to each his due. Then those with jobs, those without jobs, everybody will be happy.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I stand today to oppose Bill C–111 because I see this as the government playing political football with the UI system.

I had the opportunity recently of doing a householder questionnaire in my riding with regard to UI. Out of 1,110 replies, 608 said the government should get out of UI and turn the entire program over to joint management, as it is already being funded by employers and employees.

• (1320)

I have to go along with that when I look at the cost of administering the unemployment act today: $1.2 billion taken right off the backs of the working people. It is too unmanageable.

If there are concerns in terms of the unemployment insurance program, it should be left up to the people who are contributing directly to it, the workers and the employers, not the government. This government, along with the other governments, has done absolutely nothing with regard to correcting unemployment.

Out of that survey, 436 or 39 per cent said to tighten up and streamline the existing programs; 675 said to give employers and employees greater say in how it is run; 633 said to have the same qualifying period across Canada and forget all these differences; 628 said to shorten the period people can collect; 608 said to establish a separate fund for fishermen outside of the UI program; 569 said there should be a longer qualifying period but only 369 or 33 per cent out of 1,110 said to lower the amounts people can collect.

From this survey there seems to be a widespread awareness with regard to seasonal workers. In my constituency there are a number of seasonal workers in agriculture, tourism and forestry. These are the three biggest areas in my constituency. These are the three biggest contributors to the UI program. They see nothing here that would do anything to help that situation in order to collect.

Families are hard pressed in Canada today. We look at what is going on. We wonder what has really happened here. We have forced both parents out into the work world in order to pay rising taxes. We have lost the total concept of family unity because of government policies.

I regard this tax grab by the government as just another policy, another penalty to put on the working people, another way to keep the government satisfied with the way it lives and not the way the working people of Canada have to live.

Why are so many people unemployed? What has the government been doing for two years? This is the question out there. We can talk to educated people coming out of our universities. They are the people looking for work. What has the government done? Its fancy spin doctors put in all kinds of things they have

done, this and that, but the bottom line is the unemployment level is still there and the people on welfare are still there.

There is a mine waiting to come into production in northern B.C. It is called Kemess. There has been a large amount of money spent on the exploration work of this mine. There are a lot of people waiting, a lot of jobs waiting. They went through the whole scenario, through the provincial jurisdictions. They went to every office they had to go to.

The province passed the environmental part of it. It passed everything. It signed off. It told these people to go ahead. Now comes the federal government. Here comes this caring, sharing, worrying federal government. It says: "We checked this lake out and there are nine pair of bull trout and so this mine cannot go ahead". Five hundred jobs this caring, sharing government has put on hold; $350 million. It means nothing to the people in the House sitting over there. Do we really have much faith in any program regarding unemployment which the government can bring in? I think not.

• (1325)

Where has industry gone? What has happened to our jobs? We spend too much. The government spends too much so it has to raise taxes. When we raise taxes we drive industry out. When we drive industry out we have high unemployment.

We listened to the government. It made promises in its beautiful fancy red book. It was presented on a platter for the people to look at so they could judge the government. This was before the election. It mentioned the GST. The GST has hit employers something fierce. They spend a lot of their time after hours trying to collect taxes for the government while not getting paid for it.

They have no more holidays like they used to have. Again it takes away one or both from the family so the government can feed off the taxpayer. The government promised it was to get rid of the GST. Liberals stood on the platforms all across the country. They swore to the people out there because they wanted their votes. They said the GST will be gone within two years. If I remember correctly the Deputy Prime Minister offered to resign; another unkept promise and the GST is still there.

The big fear now is maybe the Liberals will try to introduce something else twice as expensive. They say they will change the name: UI to EI, unemployment insurance to employment insurance. I ask the hon. members on the other side, what is the cost to the taxpayer of the government's changing a lousy name in order to introduce this?

Why could you not still call it unemployment insurance and make your changes, because one of you wanted to get a little star on a book beside your name? That will cost us another million dollars or so. You think people out there are stupid. They are not stupid. They know exactly what you are doing.

The Acting Speaker (Mr. Kilger): I hesitate to interrupt any member at any time but I ask members for their co–operation to direct all their interventions through the Chair and not directly across the floor at one another.

Mr. Stinson: Mr. Speaker, I ask members on the other side if they really think the people out there, the taxpayers, the working people, the people who have to give up their home lives in order to support the government, do not know what is going on. I think they know full well what is going on. The government will have to answer to them in a few years, unfortunately. In Canada that is what it takes, years and years of trial and error.

Here is another example of government regulations. The cost of logging on the British Columbia coast has gone from $67 per cubic metre in 1992 to over $100 per cubic metre today. Does government, federal and provincial—we might as well throw it in because it is one and the same—forget these people have to be competitive in the world market in order to sell their product? I think it does. When jobs shut down, when companies shut down we have unemployment.

It is nice to sit here and talk about how concerned we are for the Canadian people as we chase their jobs out through regulations, through overtaxation. We can sit here and pat ourselves on the back and say what a wonderful country we have. It really makes one wonder what a wonderful country we have.

We have a government that does not know how to live within its means. It can only raise taxes in order to survive. It says "this is a big deal, we are cutting here. The employee will not have to pay as much". It forgets it jacked the prices up for two years running. It jacks them up 7 cents and cuts back 5 cents. It is a five–year increase no matter how one looks at it. However, the government thinks we will overlook it because of the 5–cent reduction. People have a long memory and the government will have to answer to them at the next election.

• (1330)

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, as a member of Parliament from Atlantic Canada, I am pleased to rise to speak to the motion to refer Bill C–111 to the Standing Committee on Human Resources Development.

While the proposals to reform the UI system contained in this bill will impact on all parts of Canada, it is widely recognized that the new system will have a significant impact in the Atlantic provinces.

By referring the bill to the standing committee, members of the House and many other concerned Canadians will have a full opportunity to review and discuss the legislation. For my part, I believe it is important that the special needs of Atlantic Canada be considered and understood and that the capacity of the measures presented in the bill to meet these special needs be understood. The standing committee will offer the appropriate forum to do that.

I am convinced that as Canadians better understand the new approaches being presented and the special employment generating measures contained in the bill, they will recognize that there are substantial advantages to be gained from this legislation, both individually and collectively, for our region. At the same time, the committee offers an opportunity to bring all our unique perspective to this debate to make sure that these changes look after the interests of Atlantic Canada and Atlantic Canadian workers.

In moving the new employment insurance act from the House to the standing committee, and in considering how we can best serve the needs of Canadians, there are a number of points that should be kept in mind by our colleagues in the House, by the members of the committee and by all concerned Canadians affected by this legislation.

To begin with, we should recognize the important role the Minister of Human Resources Development has had in developing this comprehensive new program. In particular, he should be congratulated for having already given Atlantic Canadians his full attention in these matters. He has taken the time to meet with us in the Atlantic Canada caucus. He has met with the provincial premiers. He has met with business and labour leaders from Atlantic Canada. He has met with many others who have asked to have their special needs considered.

There has been no shortage of consultation between Atlantic Canadians and the minister and his officials as they grappled with this very complex situation. I can only say that the minister's office has replaced my wife's phone number on my speed dial as the first call that I make for the last three weeks.

The minister has consistently shown a personal willingness to consider various and often directly conflicting points of view with an open mind and has demonstrated a capacity to understand and integrate them. It is my personal impression that he has shown a great deal of integrity in dealing with these issues and that he realizes there is a special concern for unemployed people in Atlantic Canada.

I would like to identify some of the very specific benefits of the new EI bill. First, the new bill will give broader coverage. According to the department as many as 500,000 more people will have access to employment insurance than had access to unemployment insurance. That is a huge improvement that comes as a result of the shift from weeks of work to hours of work as the measure to establish eligibility for benefits.

Atlantic Canadians have a short season where people can find large numbers of hours of work. Therefore, it is very important that all of those hours receive credit when establishing eligibility for benefits. By using hours rather than weeks, all of those hours will count in establishing the minimum requirement for benefits and also in establishing the duration of benefits. That is a big improvement.

We also have low income protection so that those people who, through no fault of their own, cannot find enough work in the course of a year to establish an income that would sustain a family can get relief. This new legislation on the threshold of the child tax credit offers the opportunity for up to 80 per cent in replacement income which is another significant improvement over the unemployment insurance program of the past.

• (1335)

Also, there is going to be a clawback on the high income side. I am very supportive of this. Employment insurance is designed to meet two needs, to serve two purposes. First, if one loses a job, employment insurance is designed to give income while one seeks employment. A second function is performed by employment insurance. It sustains a workforce in communities, many of which are in Atlantic Canada, where there is not sufficient income through employment to keep a family year round. Through the employment insurance program incomes have been supplemented to keep that labour force in place and keep those communities alive.

The argument for income supplements cannot be applied to high incomes. It does not serve that function. Therefore I am very supportive of a graduated clawback and I am pleased to see it in the new bill.

The employment benefits that are unrelated to the income benefits of which there will be five replacing 39 will be locally administered. The department in Ottawa will not be deciding on a whole series of programs, budgeting for those programs and then sending the package, in my case, to the local office in Fredericton. Rather it will be determined what are the criteria for those five programs and the local office can decide which of those five programs makes the most sense in my community and in my region. That is a big improvement. It will mean a lot more flexibility for the local office.

Another important point is that by distinguishing between eligibility for income benefits and eligibility for employment related benefits, many people who were ineligible for benefits in the past will be eligible if they have been on employment insurance over the last three years or the last five years in the case of maternity benefits. This is a big improvement.

In the past people would exhaust their benefits while they were in a training program, or in some other kind of a program and they would no longer be eligible. Now they will be eligible for the duration of that program.

In many cases the workers exhaust their benefits before their seasonal jobs start again. If someone is working in a park, in the woods or in a fish plant and draws a certain duration of benefits those benefits are exhausted but the fish plant does not open again for three weeks, four weeks and in some case ten weeks. Those people will now be eligible for the employment benefits in the package. They will have the opportunity to receive other kinds of programs that will allow them to supplement their incomes and therefore not have to go on income assistance.

Probably most important is that all members will have the opportunity to speak to additional improvements to this legislation. That is why I believe it is going to committee before second reading, so we can express to the committee the needs of Atlantic Canadians. I would like to speak specifically to the question of consecutive weeks as the method by which the rate of benefit is calculated.

I would make the suggestion to the committee when the bill gets there that all the weeks where work is involved should be considered when establishing the rate or the income level against which the benefit should apply. It is very important to recognize that in Atlantic Canada very often work comes in pieces. There are spaces in between those pieces of work. People could work in the spring, have the summer off and then work again in the fall. All of that work should be considered. Otherwise many people will be paying premiums on employment that will not be factored in when calculating income to establish benefits. That is very important. I hope the committee will be sensitive to this issue. I understand the minister made reference to it when introducing the bill. I see that as a good sign. I hope the committee will take it under consideration and make that improvement in the bill.

• (1340)

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I would like to take part today in the debate at second reading of Bill C–111, an act respecting unemployment insurance in Canada. I should point out immediately that I and the rest of the Bloc will be voting against this bill, which is underhanded, unfair, regressive, anti–social, anti–worker and above all anti–unemployed.

This new program will be called employment insurance instead of unemployment insurance. It could just as well be called poverty insurance, or destitution insurance. The government has finally tabled its unemployment insurance reform, which it kept hidden until after the Quebec referendum on October 30.

Basically, as a result of this bill, eligibility criteria will be much stricter and frequent users will be severely penalized. The first victims of these cutbacks will be young people, women, seasonal workers and immigrants. Program cuts will total two billion dollars annually, including $640 million in Quebec.

The bill, which is to come into force on July 1, 1996, is worse than was implied in the leaks that appeared in the media. It is particularly hard on part time workers, in other words, individuals who work fewer than 35 hours per week. These wage earners will now have to work from 420 to 700 hours to be entitled to benefits or 910 hours for first–time recipients. I was a referee with the Unemployment Insurance Commission for eight years, from 1984 to 1992, and people kept telling me—benefit recipients, the unions and counsel—that the Unemployment Insurance should be improved, not dismantled as the Liberal government is doing today.

As a result of this bill, the number of people eligible for benefits will be considerably reduced. Consequently, the number of people on welfare will continue to rise over the years to come. In fact, stricter eligibility criteria result in a transfer from unemployment insurance to welfare. In Quebec, more than 40 per cent of new welfare recipients have a connection with unemployment insurance. They are on welfare because they are not eligible for unemployment insurance, or because they have already exhausted their benefits.

The maximum duration of benefits will be reduced from 50 to 45 weeks. This measure will further accelerate the shift from unemployment insurance to welfare. I repeat, the federal government is offloading its responsibilities on the provinces. And I may add that since this Liberal government was elected on October 25, 1993, the number of welfare recipients in Quebec has increased by nearly 50,000, which means more than 800,000 altogether.

In my own riding, Bourassa in Montreal North, one third of the population is either on welfare or on unemployment insurance. Nearly 70 per cent of part time workers, in other words, 1.5 million, are women. I may point out that one woman out of three who works part time would rather work full time. Almost 40 per cent of part time workers are under 24.

As we might expect, the reaction of the union movement was quick, critical and utterly opposed to this bill.

• (1345)

The CSN and the FTQ, the two largest union federations in Quebec, launched a strong appeal to union members and the public to mobilize against the social upheaval currently taking place in Canada.

They criticized the bill in the following terms: "It is no reform, it is the blatant destruction of the thin net of this social protection plan. The situation is now very clear. Workers in Quebec can expect nothing more from the federal government, which has axed one of the main tools for distributing wealth in Canada. Ottawa is now making those in the most precarious situation, women and young people, bear the burden of deficit reduction. The worst and most unacceptable part of this whole

destruction operation is that it will not resolve Canada's financial problems. Enough is enough".

The two federations are demanding Ottawa return to Quebec its share of the unemployment insurance fund and they are asking Quebec to take every possible measure to recover all of its jurisdiction in the area of unemployment insurance. They point out that, since the federal government's withdrawal in 1990, the unemployment insurance fund has been financed solely by the contributions of workers and employers.

The FTQ and the CSN have decided to organize resistance and a strong and solid fight against this reform together with community and popular groups and in co–ordination with the union movement in Canada.

I take this opportunity to salute the thousands of workers in London, Ontario who are striking today to protest against the cuts proposed by the Harris government.

[*English*]

According to the CLC, unemployment insurance changes promote a low wage economy. Executive vice–president Nancy Riche said: "The federal Liberals are bent on dismantling and destroying our unemployment insurance program and they do not care what happens to thousands and thousands of unemployed Canadians".

[*Translation*]

This last series of cuts will reduce UI benefits by $2 billion, in addition to the $5 billion already chopped by the federal government.

The vice–president of the CLC went on to say:

[*English*]

"This legislation will take money from unemployed workers and put it directly into the pockets of business. It is an obvious response to business demands for lower unemployment insurance premiums".

[*Translation*]

The percentage of unemployed Canadians receiving UI benefits has fallen dramatically over the past five years. In 1990, 87 per cent of unemployed workers were eligible to benefit. In 1993, after the changes made by Mr. Mulroney's Tory government, this percentage was 64 per cent. When the Liberal Party came to office, this percentage dropped again to 50 per cent. With this reform, the CLC estimates that two thirds of the unemployed could be deprived of their right to collect UI benefits.

It must be noted that the UI program is fully self–financed. The federal government does not fund this program in any way. Furthermore, the UI fund runs very large annual surpluses. The accumulated surplus will reach $7 billion to $8 billion by the end of the next fiscal year.

[*English*]

Nancy Riche stated: "This legislation is just a way of robbing Canadians of their unemployment benefits. The finance minister wants to meet his deficit target and he wants to do it on the backs of the unemployed. It is all quite dishonest and very, very heartless".

[*Translation*]

For all these reasons, I am opposed to this bill and will vote in favour of the motion tabled by the Bloc Quebecois.

• (1350)

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the government has tabled two bills amending the Unemployment Insurance Act. It is trying to make it better, trying to improve it to make it something that holds hope for all Canadians. The government is trying to show Canadians that it is being responsible.

In my role as an opposition member and as an individual who has employed a lot of people and has seen how the unemployment insurance system works, I am sorry to report that upon evaluation of all the items, clauses and elements in the bill, basically the minister of human resources has taken a 12 or 15–year old idea, brought it to the surface and finally has his way. Instead of making it simple, he has proceeded to make it even more complicated, more confusing and more convoluted than the Income Tax Act. He has done nothing to make it sound and appear in language that people can understand. He had a choice between using the KISS method in accounting, keep it simple stupid, as opposed to what he has done.

I have a number of concerns about this. The minister had the opportunity to make unemployment insurance truly a program for which it was designed: an insurance program against the time when someone is unemployed. The payments should be equal between employer and employee. I do not know why the minister has allowed the practice to continue where an employer has to pay almost 1.4 times that of an employee. This is what kills jobs. This is why payroll taxes are called job killers. The minister has not listened to this.

If this were a true insurance program, there would be no need for the minister to use moneys from UI for five development tools; $800 million for targeted wage subsidies; targeted earnings supplements; self–employment; job creation partnerships; skills loans and grants. This is nothing more and nothing less than a vote getting method of spending money. It is old style politics. It reeks of self–service, reeks of missing the point.

The money should go to reduce UI payments for both employer and employee instead of being used for these programs. Then if we want job training programs or to subsidize businesses to hire people, it should be a separate envelope and spending should be made visible instead of invisible.

We are giving the human resources development minister $19 billion to play with when all we are spending on UI benefits is $11 billion. All the other programs amount to approximately $3.1 billion and there is still a slush fund of about $5 billion left over. Why?

We could lower taxes, offer tax relief to the Canadian public through relief of payroll taxes. Employers and employees would be happy with that. But no, the minister wants to be king. The minister wants to hold out a carrot on a stick to say he will help all the unemployed people.

I do not understand why there are different rates of payment across the country for people who collect benefits. Why did he not address that problem? In an area of high unemployment, 16 per cent or higher, why do people get more for staying there than if they moved to an area where there is low unemployment of 6 per cent or less, and get less money for staying there? People are not being asked to look for a job. They are being paid to stay put and are paid more money to stay put than to go and look for a new job. That does not solve the problem. It adds to it, just like the Minister of Finance keeps adding to our debt by setting targets which add to the problem instead of solving it.

The name change is serious. Changing the name from the unemployment insurance program to employment insurance program is really serious. What does that mean to the Canadian taxpayer? People will say they paid into it and when they are unemployed they expect to get their money from unemployment insurance. Fine, they get it. Some people have abused the system and we are trying to weed them out.

• (1355)

If the name is changed to employment insurance people are going to think: "I am paying money into a program which will guarantee me a job if I lose my job". That is what employment means. The minister is toying with people's minds. He is toying with a name change which will have a serious impact. The people will be disappointed if they do not get what they want. It is ridiculous. Once again it is all about politics.

Why not address the problem and solve it? Let us use the unemployment insurance program as such. We should not use it for other things which will increase the costs and allow the minister to waste taxpayers' money. It should be used for the purposes for which it was intended: strictly for payment when people are unemployed.

Supposedly somewhere along the line the minister tested a trial balloon on a voucher system. If the provincial governments do not offer training the way an unemployed individual would like it, if they want to be retrained, if they want to receive an income supplement, if they want to become self-employed, if they want a loan or if they want to create a partnership, they can go to the federal government with the voucher and it will give the individual what they want. Does that not add to the problem? Is that not overlap and duplication of services? Is that not what we are trying to avoid with decentralization?

The Prime Minister promised the province of Quebec that he would transfer manpower training to it. With this bill he has not let go of the strings. He has not let Quebec take care of manpower training. With this bill he is still involved in job training. He is still looking after the training of the people of Quebec. That does not solve the problem. Once again it is adding to the problem. I do not see the difference between job training and manpower training. C'est la même chose, n'est-ce pas?

Where would we go? What would the hon. member for Calgary Centre do if he happened to be lucky enough to have the job of the Minister of Human Resources Development a couple of years from now? With all due respect to our current critic, the hon. member for Calgary Southeast who is looking forward to that job, I do not want it. However, if I had the job the first thing I would do is make it a true insurance program. I would establish matching funds for employers and employees, not accelerate the payments made by employers. That might create tax relief which might enable companies to hire more people.

The second thing I would do is have everyone pay the same rate, qualify the same way and receive the same amount of money wherever they are. I realize there are some differences. Perhaps in tougher areas they might be allowed an additional week of benefits, but that would be it. Everyone would receive the same benefits. That would make people move around the country to find jobs, rather than staying put, staying cushy and saying thank you very much.

I would also change job training. I would not have human resources development looking after job training. The hon. member for Calgary Centre would have the Minister of Industry look after job training, if in fact we wanted to offer job training to people and if in fact the industry was reluctant to provide opportunities for people to learn, to obtain jobs and to become skilled.

The government should get out of the business of being in business. It should lower government spending to the point at which it is only collecting money to do the things which Canadians want. This is not a program which Canadians want; this is a program which the human resources development minister and his bureaucrats want.

We are collecting $5 billion more than we need. It might be more than $5 billion because there are other programs we could abolish. We might be collecting $6 billion or $7 billion more than we need. That is why our taxes are so high.

It used to be that the bureaucrats in unemployment insurance who worked in the towns and cities across the land helped the people who were unemployed. They would look in the papers, they would get on the phone and they would find employment opportunities. There was a three–strike rule, which is something the minister has not addressed.

For example, a plumber is out of work and cannot get a job. He collects unemployment insurance. The agency in the old days when it wanted to help, would say: "We cannot get you a job in your trade right now, but there is an opportunity over here. Would you like to learn something new? Would you like to try something else?" The plumber would reply: "No. I want a plumber's job". The second time it was: "We have something over here working in a school. If you are on the spot and the pipe bursts you might be lucky". The reply was: "No, I don't want that". The third job they offered was paying relatively the same amount of money he was making or something close to it. Even if it was not close to it, they told him to take the job because he is the available person who has some skills they need.

Many jobs are going unfulfilled. We talk about our high unemployment levels but we never talk about the number of available jobs. We never correlate the two. I believe the three–strike rule should be reintroduced as well.

The Speaker: It being 2 p.m. we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*Translation*]

VOYAGEUR FESTIVAL

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, like every year, I would like to invite all my colleagues to attend the Voyageur Festival in St. Boniface next February. This festival celebrates the history, traditions and culture of the French and Metis people.

We offer an impressive line–up of activities such as exhibitions, dancing, singing, music and theatre, all in French. Thousands of people from all over the world come to the festival to witness this joie de vivre. This year, the Voyageur Festival was voted one of the best 100 tourist destinations by the American Bus Association. It is the second time that the largest winterfest in western Canada has received this honour. The Voyageur Festival was also awarded three prizes by the international association of festivals and events.

I therefore invite you, Mr. Speaker and all my colleagues, to be our guests at this festival showcasing the tenacity and richness of the French and Metis cultures.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, the steam roller of cuts imposed by the federal Liberal government, that posed not so long ago as the great defender of culture, is on the move. The first target is unquestionably the CBC and Radio Canada International.

Over the weekend, more than 600 layoffs were confirmed at the CBC. These layoffs are to be distributed equally between the French and the English networks, which is unfair.

Last week, the Prime Minister said that there was no Quebec culture. So why protect it then? That seems to be the reaction of CBC senior management, even though the French network has demonstrated that it is more efficient, popular and less costly than its English sister network.

And what about Radio Canada International, which they are about to wipe off the face of the earth without even waiting for the Juneau report?

These cuts will have a devastating impact on the people and artists of Quebec and Canada.

* * *

[*English*]

VICTIMS OF CRIME

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, the justice minister stood in the House when Reformers demanded recognition for victims of crime and told all how he listened to victims groups, police associations and chiefs of police. He has heard from every victims group in Canada, from police officers, police associations and chiefs of police that section 745 of the Criminal Code reducing parole eligibility for murderers should be repealed.

Angry Canadians have told me this justice minister rams through legislation that divides Canadians, but when it comes to legislation that would unite Canadians like repealing section 745 he does nothing.

A private member's bill is languishing in committee because the justice minister does not have the courage to follow the wishes of every victims group, police and the vast majority of Canadians.

The justice minister will prorogue the bill that will repeal section 745. He will allow first degree murderers a statute of limitations on their heinous crimes. He will continue to follow the wishes of a few instead of the many and will continue to divide Canadians instead of unite them.

* * *

IRAQ

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, the Food and Agriculture Organization, an agency of the United Nations, released a shocking report on the implications of the economic sanctions against Iraq.

In the four years since the Persian Gulf war more than 560,000 Iraqi children have died as a direct result of the sanctions. Present day suffering is intolerable; food prices are extremely high; and the water and sanitation systems have rapidly deteriorated.

Most important, hospitals are functioning at 40 per cent capacity and many serious operations are being performed without the proper medical supplies. The bottom line is that literally thousands of innocent children are dying every day.

In the true spirit of the upcoming holiday season I call upon the government to support the elimination of the UN embargo and support the giving of humanitarian aid and medical supplies to the people of Iraq.

* * *

• (1405)

CANADIAN ARMED FORCES

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the commitment by the minister of defence of the Canadian Armed Forces to the new international force that is to maintain the just concluded truce between the three warring parties in Bosnia–Hercegovina remains within the parameters of the United Nations charter.

NATO is a regional security organization within chapter VIII of the charter. Its military commanders and political governors are thereby placed under the aegis of chapter VI of the charter on peacekeeping and on international law under the charter, including the contemporary laws of war.

* * *

ARMENIA

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, I rise today to recognize the seventh anniversary of the terrible tragedy of the Armenian earthquake.

On December 7, 1988 nature unleashed its fury and hundreds of thousands of lives were changed forever by this tragic event. The magnitude of this natural disaster is almost unimaginable. The death toll has never been firmly established, but estimates range upward of 100,000 deaths and over 500,000 additional people injured.

In response to the tragedy the Government of Canada provided over $6 million in aid to Armenia through the Red Cross and Canadians from all regions of our nation donated an additional $2.5 million in humanitarian relief.

When I was in Armenia last year I was told again and again that the people of Armenia are forever grateful to Canada and Canadians.

* * *

SACRED ASSEMBLY

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, last week thousands of Canadians from all walks of life gathered in Hull for a sacred assembly. We brought together spiritual leaders of many faiths, aboriginal leaders from coast to coast, youth, elders, political leaders, as well as guests and visitors from South Africa, Brazil, the United States and Central America.

I am happy to tell the House that the assembly was a success. We came together in the spirit of faith and reconciliation and agreed on a new vision for Canada as a whole. We have laid the groundwork for reconciliation and healing in this land.

I thank members of the House who joined us in Hull last week, especially the member for Saint–Jean who represented the official opposition, the hon. minister of Indian affairs and the hon. Prime Minister. They all made valuable contributions. I hope they will continue to work with us as the process of healing and reconciliation continues for all Canadians. God bless.

* * *

[*Translation*]

THE CONSTITUTION

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, the Prime Minister's bill to give five regions of Canada a right of veto on any eventual constitutional amendment is worse than the amending formula contained in the Constitution imposed on us in 1982.

In less than two weeks, the Liberal government will have imposed distinct society on Quebec against the will of the Quebec National Assembly and given a veto to two provinces that do not want it or would prefer something else.

The amending formula for the Constitution that requires the consent of seven provinces representing 50 per cent of the Canadian population was already considered particularly coercive. Now consent will be required from seven provinces representing 92 per cent of the population.

As Jean Dion writes in today's *Le Devoir*, we can just imagine some smart alecs inferring that the consent of 14 provinces representing 142 per cent of the population will be required in the future.

S. O. 31

[*English*]

HMCS CALGARY

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, the Canadian military performed a miraculous rescue at sea recently when five air crew aboard an aging Sea King helicopter rescued 30 people from a sinking cargo vessel during a raging mid–Atlantic storm.

Thirty times during that terrible storm, Master Corporal Rob Fisher was lowered on to the heaving deck of the bulk carrier *Mount Olympus*, epitomizing the best traditions of brave men in fearful conditions.

Piloting that chopper was Captain Dan Burden, a 36–year old naval officer from Salmon Arm in my riding of Okanagan—Shuswap, where he attended elementary and high schools and where his proud parents, James and Norene Burden, still make their home.

Captain Burden recently spent six months in the Persian Gulf. Over Christmas he plans some *r* and *r* with his wife Catherine, four–year old son Alexander and infant daughter Elizabeth.

I ask the House to join me in congratulating the Canadian Navy and especially the officers and crew of HMCS *Calgary* for their heroic efforts.

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• (1410)

STORA FELDMILL LTD.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, I am delighted to inform the House today that STORA Feldmill of Sweden will be carrying out a $650 million expansion of its pulp and paper facilities in Point Tupper in my riding of Cape Breton Highlands—Canso. The company made the announcement today.

The investment in a new paper plant at this location will create 800 construction jobs over the next two years. Just as important, the expansion will secure newsprint and paper production jobs over the long term in eastern Nova Scotia.

The government, along with its provincial and municipal partners, has pursued the expansion vigorously. Once again we have proven that Nova Scotia can attract international investment.

The location of the facility on the Strait of Canso on our east coast offers competitive transport costs to both the United States and Europe. The new facility is scheduled to be in operation early in 1998 and project planning has already started.

The government has proven it can be aggressive in attracting and keeping international investment in Canada.

HIGHWAY 416

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, the announcement that federal and provincial governments have agreed on a plan to finance the construction of highway 416 south from Ottawa is being applauded throughout eastern Ontario.

Besides providing hundreds of construction jobs, the new four–lane route will connect the nation's capital with the nation's busiest highway.

Dozens of accidental deaths and injuries over the last few years have been attributed to a highway that is simply inadequate. Canadians and visitors alike can look forward to a modern, state of the art highway in and out of the nation's capital by the year 2000.

I congratulate both levels of government for finally giving the project the priority it deserves.

* * *

GOVERNMENT OF CANADA

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, in a recent Ekos poll Canadians were asked what values they wanted their federal government to uphold. Responses were collated and presented in two groups. One of the top three values identified by Canadian elites was minimal government.

What did the Canadian public say was their top three values? They were freedom, a clean environment and a healthy population. Minimal government was last on a list of 23 choices for Canadians.

What does the Reform Party want? It wants to cut, to gut and to eviscerate the federal government. Canadians want a strong federal government with strong national standards. The Reform Party is not the party of the people as it says but a party of limited special interests, a party for the elite and not for the people.

* * *

[*Translation*]

JUDGE JEAN BIENVENUE

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, last Thursday, judge Jean Bienvenue of the Quebec superior court made unacceptable and revolting comments regarding the victims of the Holocaust and women in general. The judge said that women were capable of committing acts more despicable than those of the vilest man.

I ask the Minister of Justice to order without delay an inquiry by the Canadian Judicial Council. Unfortunately, the council rarely reprimands a federal judge. In fact, the whole disciplinary process concerning federal judges must be reviewed, and a detailed code of ethics must be implemented.

The real scandal regarding this incident is the federal process of judicial appointments, which is based on partisanship. I still wonder how a Liberal federal government could ever appoint Jean Bienvenue as a judge.

* * *

[*English*]

QUEBEC

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, just over one week ago 1,000 Albertans attended a public rally in Edmonton and the people overwhelmingly rejected the notion of giving a veto to the separatist Quebec government and turned thumbs down on the open ended distinct society clause.

However this top down government is bent on ramming these Quebec appeasements down Canadians' throats. The Liberals have the gall to invoke closure on the distinct society motion, once again trampling on the democratic process. This is 1989 all over again when the Mulroney Tories rammed the GST down our throats. Now look at the federal Tories.

To the four Liberal MPs from Edmonton we say Canadians are tired of politicians lacking the backbone to represent them in Ottawa. When this mixed Liberal quartet votes on the veto and distinct society bills, Edmontonians will be watching and they will remember.

* * *

• (1415)

FEDERAL GOVERNMENT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, two announcements in the past week demonstrate that the government's approach to reducing the deficit protects the rich and punishes the poor.

The Minister of Human Resources Development picked the pockets of unemployed Canadians to the tune of $1.9 billion, yet all the top banks in Canada have announced billion dollar profits for the last year. Clearly the federal government is forcing the burden of paying the huge debt, which it and the Conservatives have created, on the least affluent in Canada.

The federal government provides absolutely no funding for the UI program and one wonders what moral authority it has to attempt to reduce the deficit with money contributed to the UI fund by ordinary Canadians. Ordinary Canadians are being forced to do more than corporate citizens to reduce the deficit. With obscenely high bank profits, the government is not taking any measures at all to ensure that they too are paying their fair share of the deficit.

These two contrasts simply show how natural it is for the Liberal government to look after its corporate friends. Maybe some day we will have a government for the people, by the people.

* * *

[*Translation*]

MOUVEMENT DE LIBÉRATION NATIONALE DU QUÉBEC

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, the Mouvement de libération nationale du Québec held its first public meeting yesterday, in Montreal. As you know, the primary objective of that movement presided by Raymond Villeneuve, a former FLQ member who was in exile for 16 years, is to promote Quebec's independence.

Depicting Quebec's English–speaking and ethnic community members as "enemies of the Quebec people", the movement, through its president, intends to take all the means it deems necessary to implement the distorted ideas expressed in its manifesto.

The values and the ideas of the Mouvement de libération nationale du Québec are totally incompatible with the democratic and peaceful traditions of Quebec and Canada. Therefore, I urge members of this House to strongly condemn this group of extremists for its barely veiled incitement to violence.

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LEADER OF THE PROGRESSIVE CONSERVATIVE PARTY

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, this past weekend, the leader of the Conservative Party came another step closer to the politics of the Reform and the Bloc Quebecois with the statement that he would like to see the end of Canada's multiculturalism policy.

This statement by the Conservative leader suggests that he would be ready to dump all of the multicultural policies and the multicultural heritage of his party in order to snatch the votes of a few intolerant people from the Bloc and the Reform.

At a time when the winds of intolerance blow across Canada, the Conservative member for Sherbrooke is giving in to an easy fix, and he too has started making political hay at the expense of the cultural communities.

It is a pity to see that the political ambitions of the Conservative leader have led him to turn his back on the sacred principles of multiculturalism, principles he defended tooth and claw when a minister in the previous government.

ORAL QUESTION PERIOD

[*Translation*]

REFERENDUMS

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is directed to the Deputy Prime Minister.

This morning during a recorded interview for CBC–TV, the Prime Minister said he would like to use the federal government's constitutional powers to maintain peace, order and good government to prevent another Quebec referendum if he judged it was based on a vague question.

Are we to understand from the words of the Prime Minister that, on the very day he feigns recognition of the distinct society in a motion, he is announcing his intention to impose his wording on the next referendum question?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, anyone respecting democracy respects the outcome of the referendum that has already been held in which Quebecers stated categorically that they do not wish to separate Quebec from Canada.

The Prime Minister himself knows that the wish of the people of Quebec is not for a referendum but economic action. That is the area on which we will be focussing.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the Deputy Prime Minister takes a very short view of history. We know that Newfoundland held more than one referendum before becoming part of Canada. In that case, it was all right, but in Quebec's case, the usual double standard applies.

Since the Prime Minister must be aware that the vast majority of Quebecers have massively rejected his so–called offers, are we to understand that the only way the Prime Minister thinks he can win the next referendum is by taking control of the process himself, thus ignoring the National Assembly?

• (1420)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, this was not the first referendum. There was another referendum before that. The hon. member may want to talk about respect for democracy, but it was not the Prime Minister who said he would keep having referendums until he won. Respect for democracy is uppermost in the minds of the majority of Quebecers, who do not want a referendum. They want economic action, something the Leader of the Opposition admitted in his speech two weeks ago.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, respect for democracy means to recognize, in a democratic exercise, what people want, and if people change their minds, if they make a democratic decision, that should be recognized. The Prime Minister is saying he will not recognize the democratic process. It is all right when he wins, but only then. Some democracy.

I want to ask the Deputy Prime Minister how the Prime Minister can reconcile the honeyed words he spoke to Quebecers before the referendum with the statement made this morning in which he denied the Quebec people the fundamental right to determine their own future.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if the hon. member is really interested in respecting the will of Quebecers, let him come here tonight and vote with the government of Canada to enshrine recognition of the distinct society in this government, because in so doing, we will respect the desire of Quebecers for real change within Canada.

* * *

JUSTICE JEAN BIENVENUE

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice. On Thursday, December 7, in sentencing Tracy Théberge, found guilty of second degree murder, Justice Jean Bienvenue of the Quebec Superior Court at Trois–Rivières made shocking remarks about the victims of the Holocaust and about women in general, who, according to him, are capable of reaching a level of baseness the vilest of men could not reach. This sort of petty and vile remark represents a grave dereliction of a judge's duty.

How does the Minister of Justice intend dissociating himself from Justice Bienvenue's remarks?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is quite right to raise this matter in the House. I was shocked and offended by the statements attributed to the judge in the case referred to.

I have asked that a transcript of the judge's remarks be prepared. When I receive that transcript, which I expect will be in the next couple of days, I will review it. I have options available to me under the provisions of the Judge's Act. I will consider all those options when I have read the transcript and I shall take what I deem to be appropriate action in the face of these shocking remarks.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, given that these remarks are so revolting and that this is not the first time Justice Bienvenue is at the centre of controversy, will the Minister of Justice take the measures necessary to have this judge removed by the Governor General on address of the two Houses, as provided in section 99 of the Constitution Act, 1867?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the hon. member will know, the process provided for in the Judge's Act requires steps to be taken before any such result is arrived at.

What is first required is for me to receive and examine the transcript of the judge's remarks and then determine how to proceed from there.

I shall keep my hon. friend and the House advised so they can be fully aware of the action we take when we have the transcript in hand and have an opportunity to examine it.

* * *

THE CONSTITUTION

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, when Canadians gave Brian Mulroney his walking papers I thought I had seen the last of his top down constitutional change, but I was wrong.

What the current Prime Minister has done is worse than anything Mulroney ever did. The Prime Minister scribbled down constitutional changes on the back of a napkin without consulting Canadians, without consulting the premiers, without even consulting his caucus. Now he has resorted to refusing debate in this place and shutting Canadians out of the process completely. Even Brian Mulroney was more of a democrat than this Prime Minister.

• (1425)

Why is the government breaking its 1993 election promise in the red book of open government and greater public consultation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if the member really wants to resolve the constitutional question she will come to the House today with her party and support the motion the government has put on the table which permits the Prime Minister to meet the promise he made to Quebecers and which will also provide the basis for a better Canada, something I hope she and her colleagues are actually looking for.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, distinct society status for the unity of the country takes more than a vote in this place. It takes the public will and support of the people from sea to sea.

The phrase "begin damage control" seems to be the only advice coming out of the Prime Minister's office these days: a last minute veto thrown to B.C. as opposition to the Quebec package began to mount, and now a token town hall public relations exercise on CBC to try to breath life into a unity strategy that is dead on arrival. The Prime Minister is out of touch, out of control and out of ideas.

If the government is truly serious about public consultation and if it really plans to listen to Canadians on CBC, will it abandon all attempts to ram this Quebec package through the House of Commons and submit it to a full debate before Parliament and Canadians right across the country?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, once again we see how out of touch the Reform Party is. It believes a cross–country constitutional tour is what Canadians are looking for. Canadians have expressed in the province of Quebec, in the province of British Columbia, in the province of Alberta and across Canada that they want us to focus on getting Canadians back to work. That is the agenda of the government and that is the agenda we intend to pursue.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, if that is its focus, why did it get us into this mess for the last two months? Why has it not talked about jobs?

Nobody asked for this business to come through the House like this. What part of consultation does the Prime Minister not understand? It is not that difficult. Consultation is when you ask ordinary Canadians, business people, community leaders and politicians for their advice and listen to what they have to say; that is before the decision is made, not after, as the government is doing.

Will the government take the advice of the Reform leader, step aside and listen to the national unity action plan developed by a reconfederation conference of premiers, business and community leaders and ordinary Canadians, not this stuffy place here that thinks it knows all the answers?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Reform Party may hold the Parliament of Canada in contempt in calling it a stuffy place of people who do not know what is going on.

If Reform members talked to two or three people in their constituencies they would discover it is almost unanimous that Canadians do not want a cross–country constitutional road show. Canadians want the Prime Minister to meet his commitment, deliver on his promises quickly and expeditiously, and develop a Canadian consensus on getting Canadians back to work.

An hon. member: What day is it?

Miss Grey: Hallowe'en.

Ms. Copps: The member may call it Hallowe'en. We call it nation building.

[*Translation*]

COPYRIGHT

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

Last week, the Minister of Canadian Heritage did not indicate when he intended tabling legislation on copyright. However, last December 22—and I do mean last December 22—the industry and heritage ministers made a commitment to have the bill tabled in early 1995. The increasingly persistent rumour would have it that the Department of Industry and not of Canadian Heritage is holding up the tabling of the bill.

Could the Minister of Industry tell us today whether he intends honouring the commitment he made with his colleague, the Minister of Canadian Heritage, and tabling the bill on copyright before the end of the present session?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, obviously such a bill will be introduced as soon as possible.

• (1430)

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, can the minister confirm that his reluctance to go ahead with the copyright bill is due to opposition from the Ontario Liberal caucus, which has been lobbied by the Canadian Association of Broadcasters in connection with related rights?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, Parliament has waited a long time for a substantive bill on copyright. The hon. member will know that decades have passed as governments have wrestled with some very difficult and complex issues. We will present a bill on copyright as soon as it is ready.

* * *

QUEBEC

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the Prime Minister said today that he would consider disallowing a future Quebec referendum if the question was not honest. I quote: "I say that we have powers and we have to use the powers to make sure that the question would be fair to Quebecers and would be fair to the rest of the country". He also said: "The Constitution has a lot of powers to act under peace, order and good government".

I will put my question to the Minister of Justice. Is it the government's position that it could legally forbid the next referendum if it viewed the question as being dishonest? Is the government actively considering that as a policy option?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the hon. member knows, the residual powers to the Canadian government under the peace, order and good government provision in the Constitution are considerable. They are there for the purpose of ensuring that a national government can act in the national interest on matters of fundamental importance.

Let me simply say that the Prime Minister has simply observed, if I may say so, that the power is in the Constitution and can be invoked for the kind of proper purpose to which he referred.

I should also add that the focus of the government is not so much on some future possible referendum. It is on ensuring that no such referendum is held because the people of Quebec see for themselves that their future is far better within a united Canada.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the minister should know that nobody thinks the Government of Canada is going to hold a referendum on this topic. It may be the Government of Quebec that will decide to hold a referendum on this topic.

Would the government also consider a less draconian alternative which, if the government is not prepared to live with the question or with the result, would be for the federal government to simply not formally participate in a future referendum held on an unfair question?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I can only say the Government of Canada is focusing on providing good government and fulfilling our commitments. As the Deputy Prime Minister emphasized today, we are focusing on our agenda of jobs and growth with the intention of ensuring that no future referendum will be held by any government in Canada because there will be no need to do so.

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[*Translation*]

TOBACCO USE

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

This morning, the Minister of Health tabled a master plan to reduce tobacco use in Canada. This plan follows last fall's Superior Court ruling that a total ban on advertising contravenes the Canadian Charter of Rights and Freedoms.

The minister stated this morning, and I quote: "I hope that we will not spend as much time in court with this bill". Are we to understand from the minister's comments that she did not even bother to ask the Supreme Court for an opinion on the validity of her action plan before submitting it to us?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the Supreme Court has handed down its ruling. We are following its directives. What we put forward meets the Supreme Court's requirements, and we will gather the evidence required to go ahead with our project.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, does the minister realize that, by not taking immediate steps to ensure that her bill will be acceptable to the Supreme Court, she runs the risk of another miserable and costly failure, as she experienced with her other initiatives against tobacco use?

• (1435)

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we know that the evidence is there to support a full ban on advertising. We are going to gather that evidence. Meanwhile, we will be going through a series of consultations early in the new year in the hopes of having everything finalized so we can introduce legislation in the spring.

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THE DEFICIT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, tomorrow the Minister of Finance will meet with his 10 provincial counterparts, eight of whom have announced definite dates for wiping out their deficits. Will the minister listen to them and learn how to balance his budget, or will he bring them more bad news about downloading and his own inadequate interim targets?

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 full well, we have set out a very clear procedure to arrive at deficit elimination. The government is on track and continues to follow that track.

As far as my preparedness to listen to my provincial counterparts, I can assure the hon. member that is indeed one of the major purposes of tomorrow's meeting. I look forward to hearing what they have to say.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the news is out that the government's 2 per cent of GDP deficit target for 1997–98 can be reached with further negligible cuts. The minister blinked and lost his courage to do what is right for Canada. Will the minister go back to the drawing board, lower his deficit target, cut spending more and offer Canadians what they want and what they so richly deserve: a hope for tax cuts before the end of the century?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.): Mr. Speaker, there will undoubtedly be a requirement for the government to make further cuts in government spending to ensure that we hit all of our targets: this year's, next year's, the 2 per cent and any targets which may be set thereafter.

If what the hon. member is saying is that it is very clear the action taken in our first two budgets has obviously set us on the right track, which is indeed the very clear implication of what he has just said, then I will take that as congratulations for the government on its first two budgets.

* * *

[*Translation*]

CANADA SOCIAL TRANSFER

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance. Over the next two days, federal and provincial finance ministers will meet to discuss the criteria to be used to distribute among the provinces the major cuts relating to the Canada social transfer.

Will the Minister of Finance tell us what criteria he intends to propose at that meeting to distribute the $4.5 billion cut in the Canada social transfer, shown in his last budget and relating to 1997–98?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member is well aware that there are several options. The government has yet to make a decision. It is truly our intention, tomorrow and Wednesday, to listen to the provinces and see what they think.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, will the Minister of Finance pledge to reject the criterion based on population, which was included in his budget speech and also mentioned by his colleague, the Minister of Human Resources Development, by virtue of which Quebec would absorb 42 per cent of all federal cuts in that regard?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the government did not indicate a preferred option. As I just said, it is our intention, tomorrow and Wednesday, to discuss with the provinces.

Surely, the provinces will express their views, and these will probably differ from province to province. The best that we can do is to reach a consensus.

* * *

NATIONAL CAPITAL

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, my question is for the Minister of Industry.

• (1440)

[*English*]

As the minister is aware, Canada's national capital region is currently struggling under the negative economic impact of government downsizing.

Will the minister tell us why it was important to support the highway 416 project? What else is the government doing or proposing to do to help the economic development of the national capital region?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member is quite right. In light of the reductions in the size of the public service, the national capital region has taken a large share of the cost of reducing government costs.

I am sure the member will also agree that public servants who are leaving the public service have been offered generous packages. As well there is the government's support under the industrial assistance strategy for the REDO effort to help with economic diversification in the region. Even more important is the announcement made last Friday on behalf of the Minister of Transport concerning the federal government's participation under the strategic transportation initiative program to complete the construction of highway 416. This was something our party had committed to in the last election.

The support of the hon. member for Leeds—Grenville was crucial in seeing this completed. There is also the support the Minister of Transport has given to the acquisition of the right of customs preclearance at Ottawa international airport which we hope we will be able to announce later this week. This will be of special benefit to this region as a result of the open skies agreement which again the Minister of Transport was finally able to negotiate last year.

* * *

TAXATION

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, last week the Minister of Finance stated in this House that the most important kind of tax relief this country should look to is a reduction in interest rates. Is that all? Is that the reward for his tough, tough budget and his two–year revolving target? Is that all this government has to offer to overtaxed Canadians?

I ask the Minister of Finance when, if ever, can Canadians expect to pay less in taxes than they did the year before?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.): Mr. Speaker, if one looks at the reaction around the world as governments have talked about high deficits and high debt and have talked about tax decreases, in fact the money markets have said to get the deficits down and get the debt down. That is very clearly the course we have decided to take.

I must say I find it incredible that the member stands up and simply dismisses reductions in interest rates. I would suggest he go back to his riding and talk to people who have to pay mortgages. He should talk to people who are buying cars and refrigerators. He should talk to people who want jobs. Maybe then he will understand how important it is for ordinary Canadians to have low interest rates.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am not here to compliment the minister. I am here to criticize the finance minister for not listening to the leading economists in this country and for not listening to the taxpayers. They are overtaxed and overburdened. They want fewer taxes and lower taxes.

The economists say we should get to 0 per cent of GDP a heck of a lot quicker than what the minister has put forward. He obviously does not understand what is ticking people off. He is too busy praising himself.

Why will the minister not do what is right, do what the people want and commit today to presenting a balanced budget within two years, keep his promise of eliminating the GST, thereby setting the stage for true tax relief?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.): I have to tell you, Mr. Speaker, that every time this member stands up he does express the Reform Party's economic policies. He said we should follow their budget. He then asked when this country was going to get to 0 per cent of GDP. I will tell you exactly when. When we follow your budget.

* * *

[*Translation*]

TAX CREDITS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Finance.

In his last budget, the Minister of Finance announced plans to replace the capital cost allowance for Canadian film and television production with a refundable tax credit.

Given that Quebec film and television producers were sure that this tax credit would apply to the funding of their 1995 productions, could the Minister of Finance undertake to table a bill instituting this tax credit before the end of December?

• (1445)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we do intend to introduce a bill shortly.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, does the minister realize that the lack of legislation translates into a $20 million shortfall at the very least for the Quebec independent production industry, jeopardizing the very survival of several production companies?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I must say that the change that the hon. minister and myself have initiated had been requested by the industry and that the industry will greatly benefit from it.

That is why we made this change, and I can assure you that we will implement it as soon as possible.

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, my question is for the Solicitor General of Canada.

In 1992 Kim Campbell, then Minister of Justice and Attorney General, advised the House that an investigation into the activities of certain individuals and Hockey Canada was under way. She said: "The solicitor general has indicated that this matter is currently being investigated by the RCMP". In fact, the investigation did not commence until 48 days later.

Has the solicitor general initiated an investigation into the cause of the foot dragging by the RCMP under the previous Conservative government to determine if there was any political influence or interference in the RCMP investigation?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I have told the House on a number of occasions that it is the custom or convention that solicitors general do not get directly involved in operational matters. This is particularly the case when it comes to investigations undertaken by the RCMP.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the problem, Mr. Solicitor General, is that Canadian—

The Speaker: I know it must have been a slip. The hon. member will address his remarks to the Chair.

Mr. McClelland: Mr. Speaker, the problem is that it was American law enforcement agencies that had taken the ball and were running with an investigation of what was essentially a Canadian problem.

In relation to the Eagleson investigation, in 1992 a request was made by American law enforcement agencies that the RCMP execute two search warrants to seize the records of All Canada Sports Promotion Limited in Toronto. The search was not carried out for a full two years after the U.S. agency requested a search warrant be executed.

Canadians have a right to know the reason for the delay. Will the solicitor general commence an investigation to determine if the delay was caused by political interference by the previous Conservative government?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, it is interesting that the spokesman for the Reform Party is asking that the solicitor general involve himself directly in police investigations.

I want to reflect on the implications of the hon. member's question. I will see what information I can properly provide to the hon. member in light of the convention I have mentioned that police investigations are carried on at arm's length from ministers.

* * *

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans who I would like to congratulate for his achievement at the United Nations last week.

Some hon. members: Hear, hear.

Mr. Caccia: Mr. Speaker, because of transboundary pollution, Canadian freshwater scientists are reporting that airborne toxic substances from other countries are seriously damaging our lakes, threatening both the environment and health.

Can the Minister of Fisheries and Oceans tell us whether he intends to maintain Canada's freshwater research capacity despite recent budget cuts in his department?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr Speaker, I would like to thank the hon. member for Davenport for his question, especially as he has long established himself in the Chamber as the leading environmentalist of our time, second only of course to the Deputy Prime Minister.

• (1450)

Some hon. members: Oh, oh.

Mr. Tobin: Of course, Mr. Speaker, you have been known as a green thumb around here.

The Speaker: I had better intervene before the hon. minister names everyone in the House.

Mr. Tobin: Mr. Speaker, the program review has reduced the budget of the Department of Fisheries and Oceans by 40 per cent over the next three to four years. It is quite a deep cut but is in line with what other federal departments are doing to meet the deficit projection targets of the Minister of Finance. Difficult decisions have been made all through the department.

I assure the hon. member no final decisions have been made with respect to fresh water. However, we will be maintaining the Freshwater Institute and the programs in the central and Arctic regions, including the experimental lakes program of which the member makes mention.

Notwithstanding our deep commitment to deficit reduction, we on this side of the House remain committed as well to ensuring quality of life for Canadians, unlike our friends in the Reform Party opposite.

* * *

[*Translation*]

CANADA PENSION PLAN

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, the discussions taking place at the federal level concerning the Canada pension plan, as reported on Saturday morning, are making me fear the worst. One of the scenarios contemplated would increase the retirement age from 65 to 67 and cut pension benefits by 10 per cent while at the same time increasing pension contributions.

My question is for the Minister of Human Resources Development. Are we to understand that, after going after the unemployed, this government intends to hit seniors by raising the retirement age to 67 for CPP pensioners?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member knows that any changes in the Canada pension plan require the joint consultation and agreement of both the federal government and the provinces.

The Minister of Finance is holding meetings with his counterparts this week to listen to their points of view of what they consider might be an acceptable regime, in order to ensure that the Canada pension plan is sustainable and viable for generations in the future.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, would the minister confirm that one of the cutback scenarios he is considering consists in reducing pensions by 10 per cent and raising contributions to the plan for those who are not yet beneficiaries under the Canada pension plan?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the Minister of Human Resources Development just explained, we intend to discuss the whole issue of pension funds, the Canada pension plan and the Quebec pension plan tomorrow and the day after with the finance ministers.

The hon. member should realize that in both cases, we share the problems and also the possibilities for solutions. However, it would be very premature to discuss the options today. This will have to be done with the finance ministers.

* * *

[*English*]

BILL C–226

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, section 745 of the Criminal Code could allow the likes of Clifford Olson and other lifers to get parole in only 15 years. Bill C–226 is a private member's bill on the table waiting for approval to remove section 745.

Is the justice minister prepared to support all Canadians regarding this removal, or does he want it to die on the Order Paper like I suspect he does?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member creates the impression that section 745 is a provision which results in the automatic release of people who have been convicted of murder.

Section 745 simply provides that such people can apply to a court, composed of a judge and a jury picked from the community, to decide the question of whether that person should be permitted to ask for an opportunity to have parole.

• (1455)

When the private member's bill was before the House there was in effect a free vote on that bill. As a result it went to the justice committee.

I have written to the justice committee and I spoke to its then chair to ask the committee to deal with this matter as one of priority. I want the committee to deal with it. As I told the House last week, I shall be making submissions to the justice committee about the broader context in which it should look at this single important issue.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I want to make it perfectly clear that I said section 745 could allow the likes of those people to be released.

This minister has brought in legislation that has divided Canada rather than unite Canadians. The gun law, the sentencing bill and sexual orientation inclusion and the unity bill are some examples of how this minister is working.

When is the minister going to support bills that victims, police, police chiefs and all other Canadians want, like the removal of section 745 from the Criminal Code?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, no matter how the hon. member may choose to pronounce his words, from day to day in the Chamber he makes a career out of creating the spectre of public danger because of this section in the Criminal Code.

The far more responsible approach to criminal justice is to first look at the facts and that is exactly what I have asked the justice committee to do. That is what they will do.

* * *

INDIAN AFFAIRS

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

In the rush to fulfil the Prime Minister's referendum promises to Quebec, the government has hastily assembled a unity package that aboriginal leaders say does not recognize their historic self–government, land and treaty rights and would make it absolutely impossible to obtain further changes to the Constitution to clarify those rights.

Will the government stop ignoring the aboriginal issues in these constitutional initiatives and make a commitment today; first, to consult with the Assembly of First Nations; second, to honour Canada's constitutional obligations to aboriginal people; and third, to recognize First Nations as full partners in Canada?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, it is obvious that the member, who spends a lot of time on the aboriginal file, did not hear the speeches of the Prime Minister, the Minister of Justice or myself.

If he had, he would have heard that the words were very similar in each one of the speeches. They were very clear that the distinct society clause does not derogate one iota from either the inherent right or the treaty rights of aboriginal people.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in the speech to which the minister refers there was a commitment to a national aboriginal day, a holiday.

I am wondering if, instead of a day off, we might find a day to actually sit down and get some work done on some of the things for which the aboriginal people have asked, particularly the extinguishment clause that aboriginal people have talked about.

Will the minister give us a commitment today that as the fact finder Justice Hamilton has requested, the extinguishment clause will be extinguished?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, not only does the hon. member have the wrong speech but he has the wrong day. I am referring to the speeches that the Prime Minister, the Minister of Justice and I initiated at the start of the debate on distinct society and the veto legislation.

We were not talking about a holiday per se. We were talking about a recognition. It is in place now in the sense that the AFN has a unity day on June 21. We can build on that because at the spiritual gathering, all the churches were there: the Mennonites, the Anglicans, the Roman Catholics, all the spiritual leaders.

All the parties were there except unfortunately the NDP and the Reform. I am looking at both of them. Maybe if they had been there they would understand what we are trying to do collectively as far as putting some spiritualism and recognition into what the aboriginal people have done for this country and continue to do.

* * *

EMPLOYMENT INSURANCE

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, in Newfoundland, as in most other provinces, seasonal work is very important to the economy. Would the Minister of Human Resource Development assure me, the constituents of St. John's West and the rest of Canada, that the particular circumstances of seasonal workers have been taken into account in considering the new employment insurance legislation?

• (1500)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the hon. member for the question.

One very important change, as the member knows, is that we have shifted the basis of eligibility to hours. That will be of substantial benefit to seasonal workers. It will mean that many seasonal workers qualify much sooner for benefits than they can now and that many seasonal workers can extend their benefits much further. In other words they will be able to extend their weeks.

To give a working example, today with the new system 45,000 additional seasonal workers who are not eligible under the present system and who now pay premiums could become eligible under the new system. More important, 270,000 seasonal workers today would be able to extend their benefits a minimum of an additional two weeks beyond that which they have now under the old system. In other words, they could establish their claim earlier and have their claim last longer because we are recognizing and giving them full credit for all the work they do.

ALLIANCE QUEBEC

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the Minister of Canadian Heritage recently signed an umbrella agreement to provide Quebec anglophone groups with $8.4 million. Although Reform is against such expenditures generically, if the government is to do it we hope it will do it in a fair way.

Will anglophone groups that did not sign the deal continue to receive funding? Or will it be channelled entirely through Alliance Quebec?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, the Official Languages Act of Canada recognizes minority groups, francophones outside Quebec and anglophones within Quebec.

The official languages office has been in the process of negotiating with a variety of different groups based on principles of equity and gender. It will certainly not cut out other groups at the expense of Alliance Quebec. Nor would Alliance Quebec expect that to happen.

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[*Translation*]

CANADIAN AIRLINES INTERNATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

In reply to an opposition question, the minister said that Canadian Airlines International and its partner, Alitalia, had ceased operations at Mirabel because of insufficient passenger volume between Montreal and Rome. However, Air Canada has applied for permission to operate this route.

Considering the sizable Italian community in Montreal and the fact that there is a real market for flights between Montreal and Rome, does the Minister of Transport intend to make an exception to his policy for allocating international routes and accede to Air Canada's request so as to provide a direct link between these two cities?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, we have no intention of changing the current existing rules for allocating routes to these two airlines. However, I understand the hon. member's question and his emphasis on the importance of the service between Montreal and Italy. In fact, a number of ministers and members on this side of the House have already raised the matter.

However, we must realize that often the other airline applies for a route, not because it may be very successful but because it wants the international prestige.

We should realize, as the hon. member pointed out, that Canadian Airlines International is not alone in thinking there is not enough passenger volume between Montreal and Italy, since Italy's national airline, Alitalia, has also suspended operations on this route.

However, we will continue our negotiations. We have scheduled meetings with Canadian Airlines International to try and find ways to solve the problem.

ROUTINE PROCEEDINGS

• (1505)

[*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 four petitions.

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CONTRAVENTIONS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–114, an act to amend the Contraventions Act and to make consequential amendments to other acts.

(Motions deemed adopted, bill read the first time and printed.)

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FISHERIES ACT

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.) moved for leave to introduce Bill C–115, an act respecting fisheries.

(Motions deemed adopted, bill read the first time and printed.)

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PETITIONS

NATIONAL SECURITY CERTIFICATES

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am pleased to present a petition, certified by the House and signed by 163 residents of Scarborough and east metro Toronto.

The petitioners call on the government to reconsider the national security certificate issued jointly by the Minister of Citizenship and Immigration and the Solicitor General of Canada in relation to Mr. Manicavasagam Suresh. This proceeding has caused concern among Tamil Canadians.

[*Translation*]

CANADA POST CORPORATION

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am pleased to present a petition on Canada Post signed by 200 constituents of Lac-Saint-Jean, which reads as follows. Whereas the Canada Post Corporation moves home mail boxes around as it sees fit, which forces a number of citizens to use the services of an intermediary to get their mail, we are requesting that Canada Post put an end to its plan to move home delivery mail boxes around as it sees fit, and to respect vested rights to postal services.

[*English*]

OFFICIAL OPPOSITION

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I have five petitions to present today.

The first petition is on behalf of 400 of my constituents from Okanagan—Similkameen—Merritt and from people across the country.

They call on Parliament to preserve Canadian unity and parliamentary tradition and to protect the rights of all people of Canada by prevailing upon the Speaker of the House of Commons to recognize the Reform Party as the official opposition during the remainder of the 35th Parliament of Canada.

THE DEFICIT

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the second petition is from 75 constituents.

They call upon Parliament to reduce the federal deficit by reducing government spending and by refraining from any form of tax increase.

VIOLENT CRIMINALS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the third petition is from 25 concerned constituents.

• (1510)

They call on Parliament to support laws which severely punish violent criminals who use weapons, to support new Criminal Code firearms provisions which protect the law-abiding gun owner, and to repeal existing legislation which does not improve public safety and has not been proven to be cost effective.

CHILD OFFENDERS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the next petition is on behalf of 60 constituents from Okanagan—Similkameen—Merritt.

They call on Parliament to protect our children through stringent enforcement of our existing laws by imposing maximum sentence if an offender preys upon children, by denying early release in such cases and by bringing in new legislation to specifically protect children.

CRIMINAL CODE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the final petition is from 110 of my constituents from Okanagan—Similkameen—Merritt.

They call upon Parliament to end the legal approval of spanking children by repealing section 43 of the Criminal Code.

YOUNG OFFENDERS ACT

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition today on behalf of the little brother campaign sponsored by Tom and George Ambas of Scarborough, Ontario. The signatures are from in and around the area of Wild Rose.

The petition prays and calls upon Parliament to amend the Young Offenders Act to provide that young offenders charged with murder be automatically tried in adult court, that if convicted they may be sentenced as adults, and that identities should not be hidden from the public.

I am very pleased to present the petition on their behalf.

RIGHTS OF GRANDPARENTS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I have two petitions under Standing Order 36 to present. The first is from the residents of Smith, Alberta.

The petitioners request that Parliament amend the Divorce Act to include a provision similar to article 611 of the Quebec civil code which states that in no case may a father or a mother without serious cause place obstacles between the child and grandparents. Failing agreement between the parties, the modalities of the relationship are settled by the court.

Further they request an amendment to the Divorce Act that would give a grandparent granted access to a child the right to make inquiries and to be given information on the health, education and welfare of the child.

VIOLENT OFFENDERS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, the second petition is from the residents of Fort McMurray in my riding.

They ask that Parliament support laws which 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 recreational firearms; and support legislation which 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 as to be ineffective or unenforceable.

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[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following question will be answered today: No. 224.

[*Text*]

Question No. 224—**Mr. Cummins:**

With regard to work contracted for involving the Department of Fisheries, (*a*) does the Department of Fisheries have a contractual relationship with Bristol Communication, if so, what is the service provided, (*b*) what was the billing in the fiscal years 1994–95 and for the first half of 1995–96, and (*c*) what is the policy or regulation governing contracts with companies in which departmental officials or minister's staff have an interest?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed by the Department of Fisheries and Oceans and Treasury Board as follows:

(a) The Department of Fisheries and Oceans no longer has a contractual relationship with Bristol Communications.

(b) $63,493.19 was invoiced by Bristol Communications in 1994–95 and $5,382.19 was invoiced in the first half of 1995–96.

(c) Departmental officials (employees) are subject to the provisions of the conflict of interest and post–employment code for the public service (public service code). This code does not make any specific statement "governing contracts with companies in which departmental officals—have an interest". However, there are provisions relating to assets held by employees.

Pursuant to sections 21 to 23 of the public service code, employees must make a confidential report to the designated official of all assets and of all direct and contingent liabilities, where these might give rise to a conflict of interest in respect of the employee's official duties and responsibilities. Such assets might include "interests in partnerships, proprietorships, joint ventures, private companies and family businesses, in particular those that own or control shares of public companies or that do business with the government".

Employees must divest assets where it is determined by the designated offical that they constitute a real or potential conflict of interest in relation to the duties and responsibilities of the employee. Divestment of assets is usually achieved by selling them in an arm's length transaction or by making them subject to a trust arrangement.

Minister's staff are subject to the provisions of the conflict of interest and post–employment code for public office holders (public office holder code). This code does not make any specific statement "governing contracts with companies in which— minister's staff have an interest". However, there are provisions relating to assets held by public office holders, which includes minister's staff.

Section 9(1) requires a confidential report to the ethics counsellor of all assets and of all direct and contingent liabilities.

Pursuant to sections 10 to 14, the public office holders then make a public declaration of certain types of assets (such as interests in businesses that do not contract with the government and do not own or control publicly traded securities), and divest themselves of other types of assets which could be directly or indirectly affected as to value by government decisions or policy (such as publicly traded securities and businesses which contract with the government). Such divestment is by sale or by establishing a blind trust or management agreement approved by the ethics counsellor.

For more detailed information on conflict of interest and code of conduct, please refer to the codes.

[*Translation*]

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

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT INSURANCE ACT

The House resumed consideration of the motion that Bill C–111, an act respecting employment insurance in Canada, be read the second time and referred to a committee.

The Deputy Speaker: The hon. member for Calgary Centre has the floor and has a minute left in his intervention.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I welcome the opportunity to finish my intervention with about 60 more seconds of words of wisdom for the government on its unemployment insurance efforts.

It collects $19 billion and it pays out some $11 billion. The other billions of dollars are just to get votes. The government has the opportunity to truly reform unemployment insurance, to truly push it down to the level of government that is closest to the people and let it serve them, to truly eliminate overlap and duplication of services, to save the taxpayers $5 billion, and to lower government spending. If it is a matching fund between employer and employee it should never go into a deficit whatsoever.

The government had the opportunity to offer some hope and tax relief to corporations through a reduction in the payroll tax. It has chosen not to do any of those things that stimulate the economy. It has chosen not to do any of those things that would benefit taxpayers. Instead it has chosen to continue taxing on the side and overburdening us with more and more taxation.

• (1515)

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, listening to the member for Calgary Centre I feel we are reading two separate acts. One of his concerns was that we were changing the name of this bill from the Unemployment Insurance Act to the employment act, and even that bothered him. Imagine trying to take a positive stance on getting Canadians back to work; this is just another thing they object to.

Canada works when Canadians work. This is the essence of Bill C–111. The previous Unemployment Insurance Act was basically a passive support system. It in many ways encouraged people not to seek employment in other areas. The Canadian economy is very much evolving from what some economists would like to call the old economy into a new economy. It is very appropriate that as Canada approaches the 21st century it attempts to evolve its legislation in the area of encouraging skills and skill development in our workforce.

There is always the question of cause and effect when we get into the issue of unemployment or employment benefits. Many of our younger people are joining the workforce. Alarmingly, over 60 per cent of new entrants have received only a high school education. It is apropos that the government has recognized that and wants to upgrade the basic qualities of skills in the labour market.

Many of us can relate stories from their own ridings, anecdotal or whatever, of people who have purposely chosen not to work because the incentive to work was not there. In other words, they received unemployment insurance benefits and for them to take a job, with possible babysitting costs or whatever other costs attributed to going to work, it was cheaper to sustain themselves on unemployment insurance.

I do not believe unemployment insurance was ever intended to be an income support system. It was basically supposed to encourage and develop skills so that people would seek employment.

It is interesting how Canadian economist Nuala Beck said the economy in Canada has been changing over the last number of years. More people work in the sophisticated electronics industry than in pulp and paper. This is even true in British Columbia. More Quebecers have jobs in health and medical care than in the traditional sectors of construction, textile, clothing, furniture, automobile, forestry and mining combined.

More Nova Scotians work as teachers and university professors than in fish processing, forestry and construction put together. The province has the largest number of universities per capita of any province, making it one of the best knowledge intensive regions in the country. Why I submit that information during this debate is that sometimes we forget how our economy has been changing. We often look at the unemployment statistics and they also follow some of what people would call the older economy.

Basically we want to not subsidize and underwrite people staying with an old economy that possibly is leading to dead end jobs. Rather, we want to give them the skills and the incentive to move along within the workforce.

Canada has one of the highest benefit plans of unemployment insurance in the world. Many have suggested this has created a situation in which people have been reticent about seeking new employment in other areas. In a sense it has actually contributed to the immobility of our workforce and has possibly made it not as dynamic as it should have been.

We have watched the unemployment insurance system change in the last 12 years. In 1982, 15 per cent of workers were repeat users. By 1994 over 40 per cent of the people who accessed the unemployment insurance system have also done so at least one other time in the last five years, which tells us that more and more people have been using the unemployment insurance system not so much as an avenue for getting back to work or looking for new work but as a way to maintain their income levels.

• (1520)

Another aspect affecting our economy is a tremendous change in the remuneration for young people. Those under 24 years of age are today earning less than a similar age group in 1969. Many of these younger people are finding it difficult to access the labour market. Many aspects of this legislation create an open door which allows some of our younger people to get work experience.

How is this new act better than the old unemployment system with the problems I have mentioned? It is better in a number of ways. It assists employers in keeping assistance to small and medium size businesses. Premiums for workers will drop from the current level, which the previous speaker neglected to mention, of $3 to $2.95 in 1996, while employers will pay $4.13 per $100 of employee insurable earnings compared with the current $4.20. This combined with a reduction in the annual insurable base from the current level of $42,380 to $39,000 means employers could save as much as $170 per worker in 1996.

Time and again employers have told us as a government that payroll taxes kill jobs. Payroll taxes, whether unemployment insurance or Canada pension plan and other benefits paid to employees, mean a cost to the employer to hire that extra employee. The government has realized that, has heard those concerns of employers and has changed the legislation to give employers more of an incentive to hire new workers.

This new system will streamline paperwork and simplify reporting requirements facing employers, thus reducing administrative cost. The elimination of weekly minimums and maximums to determine insurability means employers will save in the order of $150 million in administration costs.

The old system basically made people account by weeks with I believe 15 hours per insurable week of employment. One can imagine where an employer who had employees, some working 15 hours, some working 12 hours, some working more than that, would have a horrendous accounting procedure trying to figure out who was insurable and who was not. It also created a barrier. Some people wanted to get 15 hours in so they could have insurable employment. Many relationships between employers and employees were about who could get these hours and so forth.

It created an administrative nightmare for small business. It also created abuse in the relationship between employers and employees. The government has recognized this impediment to hiring people and has changed it in this legislation.

It is estimated that 60 per cent of small firms that currently contribute to the unemployment insurance system actually pay less under the EI while another 16 per cent will pay the same amount. This is a significant factor. Remember, small and medium size businesses are the employers of the future and have been almost the sole creator of jobs in the past. Over 76 per cent of small businesses will realize a significant reduction in their payroll costs. This will give them an incentive to hire more people.

In addition, further relief will be provided by a temporary premium refund for those small businesses that experience a significant premium increase over the next two years. Some 300 small businesses will be eligible for these rebates. This is another area where the government has heard the concerns of small and medium size business and their desire to create new jobs and a new economy.

• (1525)

In addition, we have recognized the importance of people being able to find that new job. Often the problem has been with the changing workforce and also a changing economy. In moving from the old economy to the new economy people have been displaced. Their displacement has also created a situation in which they were reticent about accepting lower paying jobs which may get them into a new labour force.

This legislation provides up to a $5,000 a year subsidy over a three–year period to allow them to access those new jobs. Eight hundred million dollars will be spent for new employment benefits, and on and on.

There is also the recognition of low income families. It was often cheaper for them to go on welfare than it was to work. The government has recognized that by subsidizing the child tax benefit provisions of the unemployment insurance system to providing more benefits for those young families trying to find a job, find a career. This is only a part of what is a very excellent piece of legislation.

These changes will assist Canadian corporations and their workers in providing new jobs for the young and for all workers in Canada in the new economy and putting the old economy behind us.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, Bill C–111 runs counter to the historical demands of Quebec and to women's rights to equality.

Let us travel back in time, stopping in the year 1864 during the discussions leading up to Confederation. The future central government wanted to have jurisdiction over higher education. It would appear that this did not suit a good number of participants, because the provinces ended up with full jurisdiction over education.

Now, after a long jump forward in history, let us stop in 1940. This is the year, you will remember, in which, after an unsuccessful attempt to legislate on an unemployment insurance proposal, the government succeeded in having the constitution changed by the British Parliament and was accorded a new jurisdiction—unemployment insurance.

This jurisdiction over unemployment insurance was interpreted by the courts, and the decisions are very interesting indeed. The well known constitutionalist, Mr. Beaudoin, covered the subject briefly in his *La Constitution du Canada*.

The courts decided the federal government's jurisdiction over unemployment insurance included the right to determine the types of jobs that were insurable, the sorts of jobs that involved a risk of unemployment and could perhaps be covered by the program, the sorts of income that could be taken into account in calculating unemployment insurance contributions and, finally, the eligibility criteria for benefits.

From these powers, one conclusion is obvious: Parliament's jurisdiction covers unemployment insurance solely. That is, like all other forms of insurance—life insurance, fire insurance, disability insurance—the risk is insured, period.

This leads us to the question of where Parliament got its so important authority over job training, because it has none over education. Training, education, are we not talking about the same process? Basic logic would say we are, and yet, in reality, quite the opposite is true.

The question is simple and so is the answer: Parliament's power is not derived from any formal document. No province has ever said to the federal government: "Here, you have control over unemployment insurance, you should also have it over job training. Take it, we give it to you".

It did not happen that way at all. It happened surreptitiously. The federal government said: "Since I am the one collecting the money and redistributing it among those meeting the criteria, I think I should also arrange it so that I do not have too many clients. I will look after their training. I will provide nice programs, special courses, counselling centres, all kinds of goodies. I will see to it that they do not come back begging too often, so that I can use the money for other purposes as I see fit".

• (1530)

That is what happened. All thanks to the famous federal spending power. There was a hitch, however: Quebec, this king of spoilsports, according to the Deputy Prime Minister, protested.

Quebec society as a whole said no to federal control over job training. We told the federal government: "Leave our jurisdictions alone. We have a very good idea of the kind of job market we want to develop. We know what kind of society we want, what our economic priorities are, what family policies we want to include in our programs, what markets we want to open".

In short, Quebec society told the federal government: "We know where we want to go. We have the skills needed to do so. Get out of here and do not take the money with you; it belongs to us".

Again, as history has shown on many occasions, the federal government does not understand anything. It continues to deny us through this bill. Worse yet, it has broken all records by changing the name of its constitutional jurisdiction, an amendment adopted in 1940 when the federal government was given jurisdiction over unemployment insurance; it has now decided to call it employment insurance. This throws the door wide open to new encroachments, since any new initiative can be justified in the name of a so–called jurisdiction over employment insurance. The government is acting in bad faith, in obvious bad faith.

I do not know where this bad faith comes from. What I know is that overlap and duplication will not stop there and will continue.

I also know that the federal government is maintaining and even increasing the amount of duplication and overlap. And it does so in many areas, such as health, education, agriculture, culture, communications, the environment, natural resources and fisheries, just to name a few.

I also know that the 10,000 unemployed workers living in my riding are no better off with the HRD minister's new UI reform; in fact, they are being penalized. They have nothing to gain from this reform. In my riding, the unemployment rate hovers around 20 or 25 per cent, with a welfare caseload of 28 per cent. This percentage will keep growing as the number of people looking for work who no longer qualify for UI increases. What choice will they have other than going on welfare?

I also know that the 2,000 people who gave up looking for a job in the Quebec City area last month and were therefore struck off the UI rolls as they joined the ranks of the welfare recipients have nothing to gain from this reform.

Women and young people in particular have nothing to gain from the minister's reform proposal. With this bill, women continue to be penalized. For example, the new conditions to qualify for benefits will penalize women, since 70 per cent of part time jobs are held by women and since women are the ones who re–enter the labour force after extended leaves of absence for child rearing purposes.

It is so unfair for a government to add to the negative impact that being away from the labour market had on the careers and financial position of women, instead of recognizing the value of the work these women have done with their children. Such an attitude is far from promoting equal opportunities for women.

I ask the government: whatever happened to the funds that were going to be used to create daycare spaces? Where is that money? The government promised 100,000 new daycare spaces. This is another election promise that was quickly forgotten because it did not affect the interests of wealthy contributors to the party's election fund.

After promising to create massive employment, get rid of the GST and eliminate overlap, this is yet another unfulfilled commitment that will adversely affect women.

History will soon show that the federal government should have been content with its already large powers under the original constitution. History will also show that Quebec women have become tired of being treated like second class citizens.

• (1535)

They stopped believing in nice rhetoric a long time ago. They only believe what they see now, and that is a bleak future for them, a future without work, which will hurt the poor in particular, a group with which women can identify.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am delighted to enter into the debate on the bill today and on the motion before us.

I will begin by talking briefly about the problems we will have if we send the bill to committee prior to second reading. It is a problem for me because I was a member of the committee when Bill C–43, the Lobbyists Registration Act, was first tried in Parliament. At first I eagerly accepted it. I said it would be a really good thing because then we as ordinary members, backbenchers, would have input into the bill at the very beginning. Hopefully we would be able to craft the bill so it would include from the beginning the necessary changes that would produce widespread approval among all the parties.

However, I was greatly disappointed. During the time of the committee everything went really well. We had a good chairperson and it was a time when we built good collegiality among ourselves. There were many times when we discussed these things. We came to a consensus but I was very disappointed when finally we came to the end of the process. Even though we thought we had agreement on a number of issues we raised on behalf of Canadians we represent, the members of the committee on the day of the voting of the clause by clause came in with their little check sheets and voted according to a pre–plan, which greatly disappointed me.

I was really distressed. A number of the things they voted against were things that I thought we had reached consensus on. In the end, it simply did not materialize that the individual members were able to express their convictions.

I would like to be on record as being opposed to this process. I know it was supposed to be new and innovative but my experience is that not only does it not work at that level, but it cuts off the next level of amendment possibilities and further debate which is very important in the House; to go through the regular procedure of having first reading, second reading, committee and then third reading.

I am against that part and urge all fellow members to preserve the functioning of Parliament by rejecting this motion to send it to committee at this time. It ought to go through second reading in a normal sense first.

I will now speak about the whole question of unemployment. Unemployment is a very severe problem. In the downturn of an economy many businesses respond of necessity by laying off some employees. Those employees now have lost their jobs and because generally the downturn in the economy produces fewer opportunities in other businesses, as more and more people get laid off the probability and the availability of getting other jobs is reduced.

Obviously something has to be done. The present plan and the plan by the Minister of Human Resources Development are not long term solutions to this problem.

The types of policies the government is embarking on further erode the employability of Canadians. The real task before us is to provide a climate in which there are jobs available, in which there are employment opportunities and in which it is possible for people of all skills levels to find their niche and to contribute to society economically and in other ways. Tinkering with the bill will not do anything to achieve that fuller goal.

• (1540)

With respect to meeting the needs of those temporarily unemployed, Canadians should begin to recognize they are getting a very short shrift from government, from the unemployment insurance commission and from the whole system which is designed to tide them over through a difficult period. Many people would much rather have a job than rely on the limited benefits of unemployment insurance.

I will go even further. I reiterate what I have said many times at public meetings and in private. A number of employers have spoken to me since the time I became involved in the political process. They find it very difficult to obtain and keep workers because they are competing with unemployment insurance. They are competing with a situation in which an individual says: "I get this much if I do not work. Why should I work for you?"

I was at one time the recipient of this policy. I owned a small business with a partner. We hired someone who worked for us for a short time and then abruptly quit. When I asked him about it he listed the salary and benefits he received from us and said: "It costs me only about $200 less per month to not do anything, so I am out of here". Unfortunately the business we were in required us to have accessibility to our employees at very odd hours. It was not a very pleasant working situation. We did not have the financial flexibility to pay huge bucks to persuade people to stay. We went through a continuing line of people who worked for us basically long enough to qualify for unemployment insurance and then they were gone.

One thing which really annoyed me was that those employees, all of whom were male, as it was heavy industrial work, when they filed their income tax returns, in every case they were able to receive a refund on their overpayment to UI. They were unemployed and under the limit, so they overpaid. However, we as employers struggling to keep the business going ended up paying the maximum to the UIC and to the Canada pension plan and we were ineligible for rebates comparable to the overpayments the employees were making. That was a great unfairness.

Unemployment insurance is exactly what its name implies. It ensures we will have unemployment. The name is now being changed. It is a cosmetic change. All the principles remain essentially the same. There are a few cosmetic changes being proposed, none of which will produce any profound changes in how the system operates and the disincentives built in to take part time work.

A number of years ago I worked at the Northern Alberta Institute of Technology and once again our UI premiums increased. It was at the time when they crossed the $100 per month threshold. I talked to my fellow instructors. We did some calculating. There were approximately 750 instructors at the institute. We were paying $100 per month each, which means a monthly contribution of $75,000. Our employer, paying 40 per cent more, contributed an additional $105,000 per month, making a total of $180,000 per month, sent to Ottawa for the UIC from our little group of instructors. That makes a total of $2.16 million per year.

• (1545)

Instead of being involved in that coercive system, we would have been able to keep the money and invest it or use it. We would have been able to provide the equivalent of 54 jobs based on a salary of $40,000 per year. Meanwhile, our fellow instructors were being laid off because of pressure of taxation and other things. We were forced to pay people to leave work when we would much rather have shared the workload with them. Fifty–four of those people were being subsidized.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to join all my colleagues who asked that Bill C–111 be referred as quickly as possible to the standing committee of the House, so that all Canadians can soon participate in the development of the bill, and eventually in its implementation.

At the same time, I want to refute many myths concerning this bill, particularly as regards part time workers.

A moment ago, I was listening to our Bloc colleague, the member for Quebec, talking about what else but the big bad federal government which is responsible for all ills on earth and in heaven, and all over the planet. She mentioned constitutional interference and injustices against Quebec. When I listen to the Bloc members day in and day out, it seems to me that they would like to continue and perpetuate the referendum debate forever.

If I may, since I live in the Montreal area and see it daily, I would like to point out the political, social and economic instability which is now pervasive in our area as a result of this sterile and divisive debate we are compelled to by the Bloc Quebecois and the Parti Quebecois, and their obsession for a separate Quebec. The Montreal economy is sick due in part to this instability which scares away investments and jobs. This is a reality we need to talk about.

I would like to mention the workers who, either by choice or through no fault of their own, are working part time. Bill C–111 was drafted, in many ways, to help part time workers. We heard claims that Bill C–111 was a new tax on workers, or that it was tightening eligibility to such a degree that workers most in need would never qualify.

It is important to compare the provisions in Bill C–111 with those of the old system.

[*English*]

During the last two decades almost half of the new jobs created have been what economists call non–standard jobs. Most are part time jobs. By 1994, 17.3 per cent of all jobs in our country were part time jobs. Sadly, women filled 70 per cent of those part time jobs. Studies show that more than one–third of all part time workers actually seek and want full time work. Once again, more than two–thirds of the part timers who seek full time jobs happen to be women.

We should ask ourselves whether the old approach to unemployment insurance benefited part time workers. The answer is no. Under the old system a worker needed to work at least 15 hours or earn a certain amount to have his or her earnings insured. In 1995 that amount was $163. The old system has frozen out 500,000 Canadian workers. Many employers have deliberately held workers to less than 15 hours. This has kept their wages lower. After all there can be no employer share of unemployment insurance premiums for uninsured employees. The result has been that these workers have not been eligible for any benefits if they lose their job.

[*Translation*]

But there is another aspect to that unfairness. A recent study by Statistics Canada revealed that 653,000 Canadians have more than one job. That is definitely not a normal situation. More and more people now have two or even three part time jobs, but many of them are still not covered by the present plan. That is absurd and unfair.

[*English*]

Then we have people who work more than the minimum some weeks but not other weeks. They have only partial coverage. That shows why we need this change. One central objective of Bill C–111 is to get rid of the artificial notion of a work week. By using hours as a measuring device and by making every hour count, part time workers earn coverage at the same rate as every other insured worker.

A person who loses a part time job will be treated the same as any other worker if he or she has enough hours of work. This is fair. We have set a reasonable standard regarding the number of hours a person has to work to be eligible for benefits. That underlines our goal to make work pay. It is a necessary step that helps us to meet our fiscal targets through Bill C–111.

Many part time workers amass very few hours. They may be students. Some may be in seasonal work. They may have only a little part time employment or maybe only a few weeks of full time work. This bill understands that reality. It exempts people who earn less than $2,000 a year from employment insurance premiums. These people will have premiums deducted from their paycheques just like everyone else but that money will be returned to them through the income tax system.

There will be no tax grab from our lowest income workers. This will have a significant effect. The Department of Human Resources Development has determined that more than three out of every four of the newly insured workers will have their premiums refunded. Another 920,000 low income workers who now pay premiums will see those refunded. Altogether that is equivalent to 1.3 million workers who will not have to pay premiums because their earnings are too low. The government has built a system based strictly on fairness.

[*Translation*]

What will the impact be on part time workers? They will pay $14 million less in premiums, and a much greater number will qualify for benefits if they are unfortunate enough to lose their jobs.

[*English*]

It reflects the balanced approach this bill takes to the needs of people in seasonal work. The government clearly listened to the recommendations of the working group on seasonal work and unemployment insurance. These recommendations called for an hours based system. They called for an increased clawback. They called for steps to keep young people from leaving school for a cycle of unemployment insurance dependence.

Despite the claims of the opposition, these are the facts. Part time workers will see less off their income in premiums. They will have more access to benefits.

• (1555)

In contrast, the Reform Party has been pounding away at its claims that extending employment insurance to part time workers will lead to untold numbers being fired by employers. I use the word untold for a reason because I have never heard Reform members offer any credible statistics to support this claim.

Under the new system, part time workers who have been eligible for insurance benefits at any time in the previous three years will have the same opportunity for employment benefits as other eligible workers.

[*Translation*]

To conclude, I would like to reiterate my firm support for the motion of the government that Bill C–111 be referred as quickly as possible to a committee so that the serious consultations Canadians expect can get under way, and that Bill C–111 can be enacted as soon as possible.

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, is it my turn for debate? Ten minutes? I thought I could put questions to my colleague opposite.

Mr. de Savoye: No, we have been gagged.

Mr. Bernier (Gaspé): We have been gagged. That is the new way of doing things. It means that the government does not go only after the victims, but also after the members who represent the victims, as my colleague for Portneuf put it.

I am not pleased, but rather deeply saddened to rise today to speak on a bill which is so tough on the unemployed, on the jobless. Instead of tackling the problems and trying to find work for the people who live in the regions, the government is going after what little they have left.

What is this bill all about? As we say in French, and especially in my region of Gaspé, it is first and foremost a deficit insurance plan for the government, since it would save about $5 billion. It is not the jobless who will benefit from this, but the government. So, first and foremost, the reform proposed by the minister is a kind of insurance program for him, for his deficit, and not an employment insurance system, as he would have us believe.

I was regional critic for the Bloc Quebecois this last year, and I still am, unless changes are made, and the people in areas like the Gaspé Peninsula and the Magdalen Islands are being dealt a double blow by this bill, since the vast majority of the unemployed in these areas are seasonally unemployed. One of the first measures that will be applied by the government is the 1 per cent penalty for recurring unemployment. This means that each time an unemployed person in our regions receives UI benefits for a period of 20 weeks—20 weeks, not a year—that person is given a 1 per cent penalty applicable to his or her future benefits. That hurts.

Then, when you look at how the system works, we know the present rate of benefits is 55 per cent of the gross salary. This means that, once they have accumulated five periods of 20 weeks of UI benefits, these persons will no longer get 55 per cent of their gross salary, but 50 per cent. That hurts, and it is discriminatory. It is not their fault if they work in an area that is affected by seasonal fluctuations. Yet, they will be imposed a 5 per cent penalty. That is one thing.

Also, benefits are calculated not only based on the number of hours, but also based on the number of qualifying weeks. First,

the benefits will be divided by 14 and subsequently, in 1997 or 1998 I think, they will be divided by 16.

• (1600)

This means that if I manage to accumulate the required 420 hours in a period of 10 weeks, the total amount of benefits I am entitled to will be calculated and divided by 14, as if I had accumulated the required number of hours over a period of 14 weeks.

That results in another reduction of the UI benefits to which these unemployed people would normally be entitled. What should we think of that?

But the funniest thing or should I say the saddest thing about this—and I am sure all the people from the Gaspé Peninsula and the Magdalen Islands who are listening to this will demand an explanation from their member opposite—from what I understand—and I hope someone will be able to give me an answer at some point—the 420 hour minimum requirement must be met within a period of 14 weeks. Let us take for example a worker in a lobster plant in our area of the Gaspé Peninsula, who works mainly in May and June.

Suppose this worker manages to accumulate only 400 hours over this work period. According to the rules, he or she must accumulate 20 hours more in order to become eligible.

If that worker is unlucky and cannot find work for his last 20 hours until the fall, say in September or October, what will happen between the end of his first job, in June, and the beginning of his new job, at the end of September? He will be out of work and will receive no benefits of any kind.

I have read the regulations and, from what I understand, the UI commission will calculate like this: let us suppose he worked 20 hours at—I will be generous—$10 an hour, that makes $200 during that period. When the number of hours of work reaches 420, the amount earned is averaged over the last 14 weeks. Since the worker in my example did not work in July and August, because he lives in area where work is seasonal, his earnings during his qualifying period would be $200 and it is that amount that would be divided by 14. What, then, would be the amount of his benefits? It would be $1.25 or something like that. This is unspeakable.

I hope I am wrong and my office will receive a fax telling me I made a mistake. I just hope we can at least make the minister and the deputy ministers who came up with this scheme understand that in regions like Gaspé and the Islands, where people need unemployment benefits to make ends meet, they are very edgy about these changes to the program. People try very hard, but nature imposes its work schedules on humans.

Mr. Speaker, did you ever try to go strawberry picking or lobster fishing when there is three feet of ice? It is not easy. What can we do? Should we ask our viewers across Canada to give up strawberries and lobster forever, because people are no longer able to stay in their region for lack of unemployment insurance benefits, and have to move and find other jobs? Is that the message?

I am afraid we will see some trades and occupations disappear because they are limited to certain periods of the year. This is unthinkable unless, once again, the member for Gaspé is wrong.

Is the Minister of Human Resources Development keeping a bargaining chip up his sleeve? I have not yet seen what regulatory amendments the Governor in Council can make in the area of unemployment for fishermen and seasonal workers and I do not know if he can make some other changes. However, the core, the basis of this bill is a slap on the wrist right from the start.

• (1605)

I cannot believe how fast time is going by this afternoon. But in the main, I have made my point. Canadians and Quebecers must be wary. The minister is proposing a very fundamental change, and he is the first one to dip into the pot of this insurance which I call the deficit insurance. I ask the minister to protect the lives of those who live in the regions.

The Deputy Speaker: Before recognizing the member for Calgary North, I woulk like to say to the member for Gaspé, if I understood him correctly, that he used the word "gag" at the beginning of his speech. I will allow him to reply, but I must advise all members of the House that we are now under Standing Order 73(1)(c) which states:

(c) no Member may speak more than once nor longer than ten minutes.

I can assure the member that I have no intention of gagging him, or any other member. However, we are now proceeding under that rule. If the member wishes to reply, he can.

Mr. Bernier (Gaspé): Mr. Speaker, I had no intention whatsoever of implying that the Chair wants us to do certain things. But if I had the right to make a ten minutes speech, I thought I would also have the right to comment after the ten minutes granted to the other member.

This was to make our work interactive in the House: questions, answers. That allows us to understand certain things.

In my opinion, what Standing Order 73 does, if you will allow me to say so, is gag us.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, as the Reform Party's Atlantic issues critic, I have met with and spoken to Atlantic Canadians from all walks of life, including those with, to them, an unwelcome dependence on the social program known as unemployment insurance.

It is the future of this social program that we are debating today. Reforms to the program are long overdue. It is a prize understatement to say that there is an unemployment problem in the Atlantic provinces.

The latest unemployment rate in Newfoundland is 15.9 per cent. In P.E.I. it is 12.2 per cent; in Nova Scotia it is 11.2 per cent and in New Brunswick, the lowest of the four Atlantic provinces, it sits at 11 per cent. By contrast the national unemployment rate for Canada is 9.4 per cent.

It is ironic the Liberals will now call the system in which these disastrous rates of unemployment are flourishing employment insurance. They have certainly done anything but foster employment for Atlantic Canadians in the past. What they have done is foster an unwelcome dependence on politicians, their programs and their promises.

In 1994, the Atlantic region, with 8 per cent of Canada's population, collected 16.6 per cent of UI benefits. Also last year, $15.8 billion was paid out across the country in UI benefits, $2.6 billion of which ended up in Atlantic Canada.

This is a huge chunk of our national wealth. The tragedy is that so many of these hard earned dollars do not end up in the hands of those who really need assistance. The distribution of these moneys is too often governed by political considerations rather than sound planning.

The great seaworthy vessel known at Atlantic Canada is in need of a major refitting. The weight of dependence on political intervention has punched a very large hole in the bottom of the boat.

Now the ship is taking on water at an alarming rate and who is at risk of drowning? First, our young people. In some fishing communities it is not uncommon for teenagers to drop out of school to take a position on a fishing boat because it gets them enough weeks of work to qualify for UI. The result is one less person in the school system. In the end, one person has been robbed of an opportunity to receive an education.

Young people like this are suffering twofold. On one hand, they will be penalized for being labelled a frequent user. For years, they were led to believe that the UI benefits would always be there. Now, in a cruel twist of irony, they are also feeling the brunt of the years of mismanagement of the oceans' fish stocks which have disappeared.

Also facing the risk of drowning from the foundering ship of UI are the communities dependent on this social program, communities where the dollars from UI have literally kept the town alive. In the past the government has tried to bring in training programs to help workers move out of failing industries. The Liberal government is trying this again. Unfortunately, the job training programs, by the minister's own admission, have failed to deliver in the past.

• (1610)

As the hole in the bottom of Atlantic Canada's economic ship grew and as more water poured in, the people who could save the foundering ship were also penalized by the government. For years small business, the driving force behind job creation, has asked for relief from UI payroll taxes. Now, as the UI surplus fund grows, the government is offering a small stipend to the business community. The amount a business will pay in UI taxes will drop by one–twentieth of 1 per cent. This means that for every $100 of earnings it will drop by 5 cents. This is a very frail tool to hand to our economic builders.

The ship that foundered over the years sank steadily through debt, mismanagement and abuse. As the hole in the bottom of the ship grew wider, successive governments tried to lighten the weight of the sinking ship by throwing overboard a couple of deck chairs, rather than by repairing the damage.

The Liberal government still has not moved to repair the damage caused by the heavy borrowing of its own and previous governments. The ship needs to be repaired, to be pulled into drydock for a short time and to be made seaworthy again.

Think of the possibilities of putting back to sea in a fully seaworthy ship. We can repair the ship and our social programs by making tough decisions now, saving them from being made for us down the road.

The international community, whether we like it or not, is watching what we do very closely. By bringing financial spending under control, the economic ship can be rebuilt and put back to sea. It will be a refitted ship, able to withstand the storms of the open ocean of global competition and avoid the rocks along the coast of variable interest rates and currency fluctuations.

The ship that is repaired and put back to sea has a host of ports to head for. The ports of possibility for Atlantic Canada are bountiful. By moving on the Reform Party's policy initiative Atlantica, the Atlantic provinces could open up new markets and a new north–south trading arrangement with the New England states, a market of 15 million people. Let us not forget the opportunity of tapping into the European market. By capitalizing on their unique proximity to other trading partners, the people of Atlantic Canada will be the real winners. The people who helped to carve out a country and a harsh new world 200 years ago can compete in the 21st century.

Sending a pile of cash in to try to solve the problems of a region does not work. According to the auditor general it never did. Programs designed to create employment, growth and prosperity, such as those set up by the Atlantic Canada Opportunity Agency, have shown questionable results at best. The importance of good, solid infrastructure to enable movement of products for businesses with initiative cannot be stressed enough.

ACOA has often been used as a means to create competition to successful enterprises by funding grants to new but unviable enterprises. This has had the effect of setting up the new for failure and at the same time damaging the success of the old.

The people of Atlantic Canada need ways and means to become self–sufficient. A region with natural resources such as lumber, fish, mining, Hibernia and Voisey Bay has opportunities to rival those of any other part of Canada if the shackles of government restriction, red tape and taxes could be thrown off. The federal government must free up the governments of Atlantic Canada and its citizens by giving them the opportunity and their own resources to manage and make decisions on the areas they see as being needed most. A move toward creating real jobs, not the make work projects of the past, is what Atlantic Canadians need and want most.

What the government needed to do and failed to do with this bill was to send a message to Atlantic Canadians that there is hope. There are ways to lessen dependence and restore self–sufficiency. We should not have to depend always on the ill conceived training programs which in the past have not worked. Politicians can trust the initiative of working people.

• (1615)

Atlantic Canadians want to work. They have a right to go to work but have been prevented from doing so by the very governments they say are trying to protect them. They have been taxed out of jobs. While the federal government increased taxes over the years, the provincial governments followed suit. Borrowing money and taking out a mortgage on our children's future is not the way to build a strong country.

Atlantic Canada is a region of the country which feels that the debate on this topic over the next few weeks is one that will have a very strong impact on them. I urge the government to take measures which will give this part of the country the long term plan and hope it needs to build a strong economic future and not tinker with programs which have no long term plan or benefit.

[*Translation*]

The Deputy Speaker: Dear colleagues, pursuant to Standing Order 73, as I mentioned earlier, it is my duty to interrupt the proceedings to put the question 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 will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion, the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the division bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)(a) I have been requested by the government whip and the opposition whip to defer the division until 6.30 today.

* * *

[*English*]

CONSTITUTIONAL AMENDMENTS ACT

The House proceeded to the consideration of Bill C–110, an act respecting constitutional amendments as reported (without amendment) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There are two motions in amendment standing on the Notice Paper for the report stage of Bill C–110, an act respecting constitutional amendments.

[*Translation*]

Motions Nos. 1 and 2 will be grouped for debate, but will be voted on separately.

[*English*]

I now propose Motions Nos. 1 and 2 to the House.

MOTIONS IN AMENDMENT

Mr. Stephen Harper (Calgary West, Ref.) moved:

Motion No. 1

That Bill C–110, in Clause 1, be amended by replacing line 13, on page 1, with the following:

"to by at least two–thirds of the provinces that include".

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved:

Motion No. 2

That Bill C–110, in Clause 1, be amended:

(*a*) by replacing line 16, on page 1, with the following:

"(*c*) British Columbia;

(*d*) two or more of the Atlantic provinces";

(*b*) by replacing line 21, on page 1, with the following:

"(*e*) two or more of the Prairie provinces";

(*c*) by replacing line 25, on page 1, with the following:

"the Prairie provinces."; and

(*d*) by replacing lines 5 to 7, on page 2, with the following:

""Prairie provinces" means the provinces of Manitoba, Saskatchewan and Alberta."

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, at report stage of Bill C–110, I will discuss briefly some of the amendments which have been put forth, including the one in my name. As well I have some general comments about the committee and report stage.

The amendment I have moved today seeks to replace the words "by a majority of the provinces" on line 13 with the words "by two–thirds of the provinces". I suggest this to the government really as a matter of drafting. On looking at the the bill one will see that the bill as it is drafted, particularly with the amendment the government is proposing, is a bit odd.

• (1620)

The bill says the government will consult and get the consent of a majority of the provinces. Then it lists a formula with the amendment to include British Columbia that would include no fewer than two–thirds of the provinces in any case. The government's own formula would require at least seven provinces to get consent. In any case, the sections of the Constitution Act which the bill refers to require at least two–thirds of the provinces. They require either two–thirds or in some cases unanimity.

It seems to me the term "by a majority of the provinces" is absolutely meaningless and actually is a bit misleading. It illustrates one of the problems with the bill. If I have the time I will get to that later. There are several instances where it is clear that the drafting of the bill leaves a number of considerations fairly undefined or wide open.

The second amendment is the one moved by the government. This is the amendment to constitute British Columbia as a fifth region. I have said in committee and before that five regions are better than four but as I said at second reading, that does not render this bill acceptable. The bill remains fundamentally flawed. It does not give the power of consent to the Canadian people in a national referendum. That is what we have been seeking.

As I said at second reading and in committee, no matter what the regional formula is, as long as it is the provinces in the sense of provincial governments or premiers or legislatures that are being consulted, the fundamental flaw remains that there already exists a formula to do precisely that. The formula in most cases is seven provincial legislatures representing 50 per cent of the population. In that sense we have made the case, which I believe the Alberta government will pursue in court, that there are some fairly serious legal problems with delegating this power to the provinces for a second time.

One that I raised in committee to give an example of what I mean is that the provinces now required under the government's own formula would be provinces representing at least 90 per cent of the Canadian population. Clearly in the Constitution Act 1982 that is not the formula the provinces agreed to. They agreed to a formula that would require provinces representing 50 per cent of the Canadian population.

The government obviously has tried to argue this differently but it is fairly transparent that this does change the intention of the Constitution Act where provincial governments are involved. That is why we oppose it. Although the Motion No. 2 by the government is in and of itself an improvement to the bill, it is an improvement that is not adequate.

I also note that in committee the Reform Party did table its fundamental amendment which is that this consultation would have to occur in all the provinces through a national referendum. I would point out that amendment was rejected by the Liberal government and also by the Bloc Quebecois. I am perplexed by why the Bloc Quebecois would oppose it. It is the position of the Bloc Quebecois that the people of Quebec should be consulted on their constitutional future. I do not know why they would object to the Parliament of Canada consulting Canadians on a constitutional amendment.

We submitted a second amendment in committee regarding protection for the amending formula where it concerns aboriginal peoples. We had taken some advice from a number of the aboriginal leaders who came before the committee. That amendment was also rejected by the committee. My colleague from Crowfoot may discuss some of the implications of that a little later today.

• (1625)

It is fairly apparent this bill is being rushed through the House. We have the bizarre coincidence of a government which is trying to rush passage of a piece of legislation at almost lightning speed, while at the same time it is proposing major amendments to it. This is the first time I can recall this kind of situation occurring.

I want to comment on the rush which occurred in committee. The committee insisted on hearing all witnesses within a 48–hour period with no more than 24 hours notice to those witnesses. The names of witnesses who had been submitted included constitutional experts, whom we heard two or three of, aboriginal leaders, members of provincial governments, representatives of intergovernmental affairs departments and in some cases premiers.

We received replies. I am not aware of how, but I know the committee contacted all governments. I am not aware of how specifically they replied, but I will mention that the Government of British Columbia did wish to appear. Mr. Petter wished to address the committee on behalf of the Government of British Columbia. When it became technically not possible for him to do that on the given day because of problems we had with the satellite communication, he was promptly dropped from the list. If we had heard Mr. Petter's testimony, the government could well have known that its concession of a fifth region would not have been enough to satisfy the Government of British Columbia, but we missed that opportunity.

Mr. Shillington of the Government of Saskatchewan wrote to me to indicate that he had wanted to appear before the committee but simply was unable to in the time constraints that were placed on him. That is also true for Mr. Mel Smith who contacted me earlier this week. He is a constitutional expert and former provincial secretary of British Columbia. He had indicated he would like to testify but there was no opportunity.

This is not an extended witness list I am talking about. These are people who either are experts in the field or in the case of governments are affected parties of the legislation itself. They wanted to testify and were refused simply because of the artificial deadline created by the government and by the committee for hearing witnesses. It was a very short deadline with very little time to hear witnesses and very little time to actually notify potential witnesses of the possibility of appearing before the committee.

I want to point out some of the lack of clarity that was in the bill and which was revealed to us in committee. These are things I notice the government has not submitted clarifying amendments on.

The bill says that no minister of the crown shall propose a motion for a resolution to authorize an amendment to the Constitution of Canada, et cetera, other than through the process of first submitting it to the provinces where there is a five region veto formula.

The term "no minister" is significantly important. This does not exclude the government from sponsoring, backing or putting its weight behind legislation tabled by a government backbencher or even by a parliamentary secretary. In that sense, it is unclear exactly whether the government does intend to follow this legislation.

The government assures us it is extremely unlikely that something like that would happen, but my experience has been that when a scenario is allowed and then we are told it is unlikely, it probably means it is likely. That seems to be the way things operate around here.

This second point is the subject of some debate in committee. The bill makes reference to an amendment first having been consented to by the provinces. It was unclear and the government itself was unclear in its intention of whether provinces meant strictly speaking provincial governments, which is what we would have anticipated and what the answers of the Prime Minister in question period seem to have implied, or whether it could actually mean in a sense the people of a province, which is a very different notion.

• (1630)

Neither the minister nor his deputy appeared to rule out legally the meaning of consulting the people, although they did say that it was not a likely occurrence in their view. The Minister of Justice said that it was highly unlikely they would use that interpretation. Furthermore, his deputy minister said that particular interpretation could also be challenged in court. She was not clear how the courts would rule if that meaning of provinces, provinces meaning provincial population, was used by the government. She was not sure whether the courts would allow that interpretation or not. This is very contentious.

It is very unclear in a number of ways what the government is trying to achieve and why we all know it is trying in effect to give a veto to the Government of Quebec over constitutional change and in particular to the future premier. It believes it has a way to trap him in some future scheme.

Unfortunately, even with the amendments the bill is ill considered. Ultimately the government will end up trapping itself and the people of Canada in what is, if not unconstitutional, a very unwise piece of legislation.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, last Thursday, I gave notice of an amendment to Bill C–110, an act respecting constitutional amendments, the effect of which would be to add British Columbia as a fifth region to which the federal veto over constitutional amendments would apply. It is to that amendment I rise to speak today.

[*Translation*]

I am pleased to support this motion which will allow the federal veto to be used to protect the interests of all parts of this country, that is to say Quebec, Ontario, British Columbia, the Atlantic provinces, and the Prairie provinces, since their consent will be required before we proceed with any constitutional change.

[*English*]

The amendment to Bill C–110 is the result of the government having listened to the members of its own caucus, having listened to members of Parliament and senators from British Columbia and having listened to the population of British Columbia, all of whom clearly and convincingly expressed their views and those of their constituents to the effect that the time has come for British Columbia to be recognized as a region for the purposes of the legislation.

The change also reflects the position adopted by the leader of the third party who spoke in the House on November 29. On that day he asked that the government recognize "the concerns and aspirations of British Columbia, the third most populous province in the country, as a region in its own right". We listened to that as well.

Bill C–110, as amended, responds to the need for realistic reflection of British Columbia's status as a specific region of Canada. British Columbia is one of the most rapidly growing provinces with 12 per cent of the country's population and almost 42 per cent of the population of the western provinces.

Beyond this the province's economy and its position on the Pacific make it different from the provinces in the prairies. This recognition coincides with the position that B.C. governments have taken for over 20 years. Indeed it was a position of Premier W. A. C. Bennett in 1971 that British Columbia should be recognized for constitutional purposes as a separate region.

• (1635)

[*Translation*]

The recognition of British Columbia as the fifth region is consistent with the position taken by New Democratic Party members from British Columbia before the Beaudoin–Edwards Committee.

[*English*]

It is also consistent with the case British Columbia has made in recent years with some success that one of the three western positions on the supreme court bench be reserved for that province on a permanent basis.

As to Alberta and the other prairie provinces, it should also be noted that the bill as amended will give a veto to a combination of three prairie provinces, that is to say two or more of Manitoba, Saskatchewan and Alberta representing at least 50 per cent of the regional population.

Given the population figures, the amendment would provide as a matter of practical fact a veto for Alberta because it has over 50 per cent of the prairie region's population. At the same time, however, Alberta alone cannot consent to an amendment due to the minimum requirement of the approval of two provinces. The other prairie provinces, Manitoba and Saskatchewan, could defeat an Alberta consent.

The federal government has listened carefully to the case made for British Columbia as a separate region. We have been convinced and we have acted quickly to make the change. In particular our own members of caucus from British Columbia who vigorously made the case for the recognition of their province as a region have made a real difference in the debate.

The government has concluded that the arguments favouring recognition of British Columbia, its size, its population, its contribution to the Canadian economy and its Pacific positioning, were compelling.

[*Translation*]

We believe that contrary to what is being said by those who always try to belittle what we want to do and who always say no, this bill and this resolution will contribute to Canadian unity and will reinforce the fabric of this country and the bonds between regions.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, "the Prime Minister has missed the boat with his reform proposals" wrote Mario Fontaine in Friday's edition of the daily *La Presse*. The journalist was commenting the SOM poll published that day.

The Prime Minister is probably the victim of political amnesia, but Quebecers have a long memory. They remember all the promises that the Prime Minister made to get their votes. The helmsman of the constitutional *Titanic* has not delivered, and the way things are going he, himself, will be responsible for Quebec sovereignty. Quebecers are fed up and they will let the Prime Minister and his henchmen know soon enough.

The poll I was referring to shows without a doubt that Quebecers are dissatisfied. The master of bungling, amateurism, and improvisation should not be surprised to see that his proposals on distinct society, veto power and the federal government's withdrawal from manpower training are rejected by Quebec.

According to the SOM poll, not even one Quebecer out of four, or 24 per cent, is satisfied. Fifty–three per cent of Quebecers are not satisfied. Moreover, 30 per cent of Quebecers see the proposals from the federal clowns as clearly inadequate, while only 4 per cent think they are completely adequate.

The last straw is the motion before us. With his proposals, the Prime Minister has managed to do one thing: incur the wrath of all Canadians.

Under the big top of the federal circus, the Prime Minister is continuing to perform his act of bungling, amateurism, and improvisation. Imagine, in less than 15 days, the Prime Minister has forced distinct society on Quebec, against the will of the National Assembly, and given a symbolic veto to two provinces that never requested it, but would prefer something else from the federal government.

• (1640)

Let me recall what has happened to Bill C–110 since it was introduced at first reading stage on November 29, not quite two weeks ago. Yet, they say it is a major bill. At least, this is what the Liberal government says, through its double talk. Why hurry, then?

Bill C–110 was introduced on November 29. The day after, on Thursday, we started debate at second reading. On Friday, the government invoked closure to gag the opposition and the debate ended. On Monday, December 4, right after the vote at

second reading, the bill was referred to the Standing Committee on Justice, where at 7.15 p.m., the Minister of Justice gave his sales pitch. On Wednesday the 6th, the clause by clause review was already going on.

On that last day of committee review that the government did not see fit to make amendments to the bill.

But the next day, the Prime Minister made an about–face and the Minister of Justice, surrounded by the British Columbia caucus, announced hastily that the Pacific province would also get its veto and that, consequently, Bill C–110 would be amended at report stage.

The federal bulldozer continues to decimate and destroy the constitutional landscape of this country. This government uses the steam–roller on any reform of the Canadian yoke. The Prime Minister, through his justice associate, is pursuing his almost constitutional endeavour without taking anyone or anything into account. His narrow–minded attitude may cost him the next election.

We owe Bill C–110 giving a regional veto to four Canadian regions to this same person who did not even want to hear about the Constitution during the 1993 election campaign. Today, we are wasting our time debating whether the federal government should add a fifth region. In addition to all that, he tells us that he is fulfilling his referendum promises. That is nonsense, that is window dressing!

Last Thursday, the Minister of Justice hastily announced an amendment to Bill C–110 in order to divide the western provinces into two "regions". The day before, he was still maintaining that the bill would remain unchanged. That goes to show how they improvise on that side of the House. By giving everybody the right of veto, the Minister is blocking any possibility of constitutional amendments for future generations.

Be that as it may, this so–called veto is so meaningless that, as far as I am concerned, it could be given to P.E.I., Saskatchewan or even Newfoundland, I would not lose a wink of sleep over it.

What is the real effect of giving a veto to the Prairie provinces? Alberta will have what amounts to a constitutional veto of its own, because its population accounts for nearly 55 per cent of the Prairie provinces' population. Similarly, the other two together will have the same type of veto.

Last week, the Minister of Justice described these veto rights as negative, in that a real right of veto consists in refusing to support a constitutional amendment. In fact, Alberta will be able to block the Prairie provinces' right to a veto because one of the two conditions for exercising the veto will not be fulfilled. Two provinces with at least half the region's population are required, and the provinces will never be able to meet that demographic condition without the agreement of Alberta. So there is a negative veto.

On the other hand, while Alberta can block the Prairie provinces' veto, it cannot, on its own, exercise a right to veto, because it does not satisfy one of the conditions required. It is obvious that Alberta is not two provinces.

If Bill C–110 is passed, four provinces will have a constitutional veto, i.e. two more than in a four–region formula. A constitutional amendment will require the support of a least six or seven provinces representing at least 90 per cent of the Canadian population.

• (1645)

According to the 1982 general amending formula, we only need seven provinces representing 50 per cent of the population. That amounts to constitutional deadlock. I even wonder if Bill C–110 is constitutional, since it changes the amending formula without following the procedure provided under the Constitution Act, 1982.

The Minister of Justice ought to know he cannot do indirectly what the law does not allow him to do directly.

[*English*]

The Deputy Speaker: Before the hon. member for Carleton—Gloucester begins his intervention, I am obliged to tell the House that under our standing orders the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Saskatoon—Clark's Crossing, social programs; the hon. member for Bourassa, immigration; the hon. member for London—Middlesex, the Middle East.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, it is a pleasure to have an opportunity to speak to this bill. Hon. members will soon be asked to vote on measures introduced by the Prime Minister of Canada which recognize Quebec's distinct society and offer Canada's regions, in other words, Quebec, Ontario, British Columbia, the Prairies and the Atlantic region, a veto on constitutional amendments.

This is a bill of Parliament. It is not a discussion on the Constitution, as members of both opposition parties are claiming. I may remind them that the date set for discussions on the Constitution is 1997, according to the Constitution Act.

Bloc members are of course against our bill, which means the government must be right and must be on the right track. Separatist members kept telling us and all Quebecers and all Canadians during the referendum campaign that they wanted to be recognized as a distinct society, that they wanted veto powers. We took them at their word, and we came to the House and told them: "We listened to what all Quebecers had to say, and we will now recognize distinct society as a principle in the Parliament of Canada and we also recognize that Quebec has a veto like the four other regions of this country".

An hon. member: Put it in the Constitution.

Mr. Bellemare: The hon. member for the Bloc said: "Put it in the Constitution". As usual, they will not listen and they did not understand when I said that according to the Constitution Act, we are to discuss these issues in 1997. This was the action taken by the federal government in response to the commitment made by the Prime Minister during the referendum campaign to meet the needs and demands of all Canadians.

[*English*]

Every day I receive correspondence from my French and English constituents, étant donné que mon comté est bilingue, who although they may have different ideas on how to deal with Quebec the majority recognize the different culture of their Quebec neighbours and recognize the need for change.

The turnout for the unity rally which I attended was a clear indication of the overwhelming support from all Canadians, les Québécois inclus, for a united Canada that includes Quebec.

[*Translation*]

Why recognize the francophones in Quebec as forming a distinct society, but not the anglophones? We could recognize the anglophones, but why? What would be the point? The anglophone culture is not in danger of disappearing, I know something about that. The anglophones are not being targeted by the factors threatening the francophone culture in Canada with its demise.

Although Canada's anglophone culture is distinct from American culture, it will always be supported by it. The media and the telecommunications industry will provide an environment that will sustain the anglophone culture. On the other hand, there is no such support for the francophone culture.

[*English*]

When we travel across the country we see the obvious differences from region to region. Nowhere is the difference more obvious than when one travels to Quebec. The difference in that province is accentuated by culture and by language.

• (1650)

[*Translation*]

Even members of the Reform Party will agree privately, but in the House, for obvious reasons, they oppose it.

[*English*]

There is no denying the distinction of Quebec. Quebecers are different from the rest of Canadians. They have always been different.

The country was founded by two very distinct peoples, the French and the English. The idea of a distinct society began with General Murray. Very few Canadians appear to know their Canadian history. Wolfe beat Montcalm on the Plains of Abraham. The British won that war. The territory we now know as Canada was British.

Very few people seem to know that when Montcalm died on the battlefield he was replaced by General Murray who knew the practice of military procedures, that when invading a country we should recognize immediately the laws and the distinction of the people of the country we invade. It was practical. The practice was to recognize their laws, their culture, their religion and their language.

Like the Reform Party there were in the British mercantile society those who thought that Murray was going too far. They brought General Murray back to England for a court martial. Very few people would know that General Murray won his court martial, and the British government in 1774 recognized the duality of Canada and distinct society by proclaiming the Quebec Act.

[*Translation*]

I highly recommend to Reformers and Bloc members that they study their Canadian history. Canada is what it is because of its different and distinct cultures. If we allow these cultures to be eliminated, we will no longer be Canada, if fact, we will be quite close to being American.

No doubt it is the francophone community especially that sets us apart from our American neighbours. I do not want to become American; I want to remain Canadian. Being a fourth generation Franco–Ontarian, I have the advantage of being able to converse in both official languages every day. Although I am not a Quebecer, I know I am different from my unilingual neighbours, both English and French.

Reform frightens everybody, including western anglophones, by arguing that recognizing Quebec as a distinct society gives that province additional powers that anglophones and the other provinces do not have. I challenge them to tell us what these powers are.

Finally, the reason why the Prime Minister offered to give a veto to all five regions of Canada is to ensure that every province has a say in amending the Constitution.

[*English*]

Quebec, Ontario, the maritimes, the prairies and British Columbia will share the right to veto any proposed constitutional amendment that they feel would not be to the benefit of the residents of a particular part of the country and to all Canadians.

The Liberal government believes that all Canadians should have a say in the future of the country and the regional veto will afford them that luxury. The introduction of a regional veto will assure equal representation across Canada. Each region will have equal power in these matters; no more, no less.

[*Translation*]

Recognition as a distinct society does not give Quebecers additional powers or take any power away from anglophones and the other provinces. It gives Quebecers what they deserve: an essential tool not only to ensure their survival but also to develop their culture.

A distinct society does not mean a better or more advanced society. The French–language dictionary *Le Petit Larousse* defines the word "distinct" as "clearly perceived; clear, well–defined, different; unmistakable".

I hear a lot of noise coming from Reform members on the other side of the House. These people who claim that they want to learn French, who have suddenly discovered the province of Quebec and act as tourists, have finally realized that it is different. They tell us as much in the halls, but here, for political reasons and for their own reasons, which I find deplorable, they are opposed to recognizing Quebec as a distinct society.

• (1655)

[*English*]

The Concise Oxford Dictionary describes the word distinct as not identical, separate, individual, different or unlike. Those members of the Reform Party who have visited Quebec will know they are different in kind, not quality.

[*Translation*]

Recognizing Quebec as a distinct society is not a reward for francophones or a form of punishment against anglophones. On the contrary, it is essential to the survival of Canada—repeat, to the survival of Canada—as we know it today. We must recognize Quebec as a distinct society for the benefit of all Canadians and not only for Quebecers.

We, as the federal government, have a duty to ensure that Canadians enjoy the best quality of life possible.

Every morning, we can see the negative impact our infighting about constitutional issues has on our economy.

The hon. members of the Reform Party should take note that we should act now to give Canadians, not only Quebecers, a better chance to develop as a nation. Only by recognizing our differences will we be able to make any headway and only by recognizing them here, in this House, can we lead the way.

It is high time that we give Canadians the tools they need to see the difference and make their country a better place. Recognizing Quebec as a distinct society and the regional veto are exactly the sort of tools we need.

[*English*]

I refer to an article in the Toronto *Star* of December 10.

The Deputy Speaker: I am sorry to interrupt the hon. member but his time has expired. Unless there is unanimous consent he is out of time.

[*Translation*]

Does the House agree to give the hon. member a minute to finish his speech?

Some hon. members: Agreed.

Mr. Bellemare: Mr. Speaker, I thank the hon. members from the Reform Party. Without speaking disparagingly of them, some of my remarks may be directed at their party.

[*English*]

"Reform's hard line hinders unity of effort" was the headline in the Toronto *Star* of December 10, 1995. The article stated:

> But Confederation from the start treated provinces unequally, to accommodate their special needs.
>
> Protestants in Quebec, for example, have the constitutional right to their own school boards, as do Catholics in Ontario. That doesn't apply elsewhere—For 25 years, Canada has been trying to find ways to give constitutional expression to Quebec's special identity—But Manning's visceral opposition to Parliament making any special gesture to Quebec is dangerous and divisive. It lends credence to the separatist argument that the rest of the country really doesn't care. And that gives the separatists more ammunition, at the very time when Chrétien is trying to take it away from them.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, if ever there was an occasion when one should not have been generous in allowing an extra minute, that was one. It is water under the bridge and we cannot veto it, which brings me to the whole point of the discussion today.

Any one of us in the House could have vetoed the opportunity for the member opposite to add that couple of minutes to his presentation. We could have prevented him from coming forward for a host of reasons, some of which could have been petty, some of which could have been meaningful. Any one of us would have been able to prevent that member from finishing his speech. That is the nature of a veto and that is why there is no place in a constitutional democracy for a veto for anybody.

We should compare the American constitution with what we are trying to cobble together in Canada. The very fact that a constitution has flexibility allows it to live. The ability to change and evolve over time is the lifeblood of a constitution. That is what allows it to speak to the people and the people to speak to it.

Thomas Paine, in the mid–1700s, was an adviser to Thomas Jefferson. He had a lot to do with the gist of the American constitution. In his essay, "The Rights of Man", from which I have quoted in the House in the past, he makes the point that

every generation has the right and the responsibility to govern for its times and should no more bind future generations to today than past generations should have been able to bind today to the past.

• (1700)

A veto to any specific province puts our Constitution into a strait–jacket. It puts the feet of the Constitution into a bucket of cement. It also states that from this day forward future generations will be stuck with what we give them today. For all Canadians watching this debate, wondering why we are debating the Constitution when our country's economy is in such a state, that is the reason we should not have a veto in the Constitution for any province.

If we are to have an amending formula in which a super majority is required to amend the Constitution, we should stick to something like the seven out of ten provinces representing 50 per cent of the population.

Given that we will not be able to change this, because it is not a perfect world, in the Canadian barnyard we are all equal but some of us are more equal than others. It has to do with the residents of our province. We could all have a veto if we all moved to a province with a veto. That would satisfy that little problem. However, that is not likely to happen.

What is the nature of the veto we are stuck with, the effective veto? The government has stated it does not have a whole lot of meaning or effect in some parts of the country. It has stated right here in the House that the next government can simply remove this legislation. However, it states that in Quebec it is extremely meaningful.

I believe it is extremely meaningful legislation because once we have gone down that road and given the commitment of a veto to the people of Quebec, there is no going back. There is no way we will be able to go back on that ground.

The Prime Minister has cobbled this together to try to save his political skin in Quebec or perhaps to save the political skin of Daniel Johnson in Quebec. He has effectively put our Constitution in a strait–jacket, which will make it impossible to change in the future.

Why on earth would any Prime Minister give a separatist government in Quebec a constitutional veto which would prevent change of our Constitution for evermore? Surely if we must give a veto to a province we should give that veto to the people in that province, not to the government or to the legislature.

Most legislatures are elected with a minority of the votes cast. A case in point is this Chamber. The Liberals have a massive majority with 175 seats but received only 43 per cent of the popular vote. The same thing can happen because of vote splits in every legislature. Therefore a legislature with a veto could use that veto even though it has not received a plurality of the votes cast in that province to put it into power in the first place.

A legislature could be elected three or almost four years prior to the constitutional issue about which it is being required to make a decision. Here we have a situation in which a province could have the right to veto constitutional legislation. The legislature could have been elected with a minority of votes cast and have been elected three years before the question at issue came to the floor. Its election, the fact that it is there and has the ability to veto the legislation would have absolutely nothing to do with its popular right to do so.

An hon. member: No mandate.

Mr. McClelland: No mandate. None whatsoever. That is why in the regions the veto power must rest with the people and not the legislators.

• (1705)

An hon. member: Read the bill.

Mr. McClelland: A member opposite says read the bill. It does not rest with the people. It rests with the federal government which may at its pleasure make the distinction of how that decision is arrived at. It is not required that it be by referendum of the people in the province, which is what I am saying it should be.

My friend opposite earlier in his comments made brief reference to the distinct society. Very few people would recognize Quebec as being anything other than a distinct society, one which the vast majority of Canadians cherish as a fundamental part of Canadian identity. Most every Canadian recognizes that.

Our amendments essentially reinforce that first, recognizing Quebec as a distinct society would in no way confer on it powers or rights not be conferred anywhere else; second, that there would be no chance to abuse minorities; third, one nation, the affirmation that we are one nation. These were the things we felt must be affirmed in the distinct society status.

I thank the House for the opportunity to share a few thoughts. I ask the government to consider one other change to the legislation: make sure it is a popular ratification by the people.

[*Translation*]

TIME ALLOCATION MOTION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, an agreement could not be reached under the provisions of Standing Order 78(1) or 78(2) with respect to the report stage and the third reading of Bill C–110, an act respecting constitutional amendments.

Under the provisions of Standing Order 78(3), I give notice that a Minister of the Crown will propose at the next sitting a motion to allot a specific number of days or hours for the consideration and disposal of proceedings at the said stages.

[*English*]

POINTS OF ORDER

WITHDRAWAL OF BILL C-362

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I tabled a private members' bill the other day, Bill C–362. I take full responsibility. There is an error in the bill. There was a later draft which should have been presented.

I would like to bring the correct draft to the House but first I must have the unanimous consent from the House to withdraw the current Bill C–362. I have agreement from the government side and from the Bloc.

Therefore I ask that the House give unanimous consent for me to withdraw Bill C–362 from the Order Paper.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House?

Some hon. members: Agreed.

(Order discharged and bill withdrawn.)

* * *

CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of Bill C–110, an act respecting constitutional amendments, as reported (without amendment) from the committee; and of Motions Nos. 1 and 2.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Madam Speaker, it gives me great pleasure to be debating Bill C–110 and more specifically Motion No. 2 to Bill C–110. Wherein Bill C–110 the veto powers were given to four regions of Canada, Motion No. 2 gives this veto power to five regions of Canada.

Where did this veto proposal come from? Let me take the members back to the referendum. The Prime Minister made certain promises about recognizing Quebec as a distinct society. Having many relatives in Quebec, I find it very incomprehensible that the Bloc Quebecois would vote against the recognition of a distinct society. I hope that somehow, maybe on a one to one basis, it can clarify that for me because I find it shocking.

• (1710)

We have excellent support for the direction the Prime Minister is taking. Saskatchewan Premier Roy Romanow says the proposals deserve to be carefully considered by political leaders and the public as an honest effort by an honest individual, the Prime Minister, to keep this great country together.

An Edmonton *Journal* editorial states: "To hear some of our politicians", and we are hearing them today, "you would think that the Quebec referendum didn't happen. There seems to be little recognition that Prime Minister Chrétien made necessary promises during the referendum campaign and that he is honour bound to keep them". That is what we are doing.

The Prime Minister has tabled legislation to keep his promises, and he is known for that. In his 30 years of politics he has never broken a promise, which is why he is so well liked by Canadians from coast to coast.

However, we have to settle this dispute of Quebec separation once and for all. People are fed up hearing about it. People are disgusted. It is affecting families psychologically. Families cannot have a normal relationship anymore. Instead of coming home and talking about hockey scores or other things they get on the referendum and become depressed. I know this from my family. Whether in education, whether they work for the police force, whether in the Department of National Defence, entire families are being affected by this dispute. Let us settle it once and for all and let us settle it quickly.

Some are complaining about why we are pushing this through quickly. It is Canadians who want us to act quickly. When people in Quebec voted no to separation they also gave us an important message to bring about changes but not to bring them about as former Prime Minister Mulroney did, dragging out commissions and committees and joint committees, et cetera. At the end of a one–year or two–year process what did Canada get? Nothing but more frustration, more disputes, more dividing of this beautiful country which was named number one by the United Nations. We do not want that. Canadians do not want that. They want us to act quickly and keep the promise we made during the referendum.

This frustration is not only within Quebec but outside of Quebec. I hear it in my constituency. I held a recent town hall meeting just after the referendum specifically to discuss what happened and where we should go from there. It covered the entire spectrum with frustration across the entire spectrum.

Allow me to quote a constituent, Howard Dunnick: "Dear Mr. Flis, I object strongly to giving Quebec distinct society status. As for the veto, why should the tail wag the dog? We just cannot afford to let Quebec spend our money like drunken sailors any longer. They say they are one of the founders of our nation. If they are so concerned, why do they first lead us to bankruptcy and then break up the nation? In fact, they do not care if they bleed us to death".

That is how strong the feelings are at that end of the spectrum. It is not the majority feeling, nor a feeling I share. At the other end of the spectrum Janet Page says: "Quebec needs to be

brought into the Constitution. I do not want to lose Quebec. Bouchard does not have the best interests of the people in mind. The government should force him to bargain in good faith. We need an end to this".

That is the frustration at the other end of the spectrum. We need an end to this dispute, to this debate. At town hall meetings we have to allow the people to share this frustration. What I like about the process of a town hall meeting, at least as I observe in my riding, is that people get educated. They educate themselves. Initially at town hall meetings they are filled with anger, with a let them go attitude. By the end of the evening they ask: "How can we demonstrate to Quebec that to us Canada includes Quebec?" They are good debates and discussions: What is Canada? What does it mean to be a Canadian?

• (1715)

By the end of the evening the same group of people who had those extreme views are making suggestions. They asked me whether when I was the principal of Argentina School and it was twinned with Canada School in Buenos Aires the children learned anything. I said yes. They learned about each other's culture and language. There were student exchanges and project exchanges. That is a suggestion they give for us here in Canada. Others suggest that cities and towns should be twinning. Families should be meeting so they can talk around the dinner table and get to know each other.

I was so pleased that out of the frustration grew these kinds of positive suggestions. If we go in that spirit and we accept the distinct society, if we accept that Quebec has a civil code for its justice system, if we accept that regions should be given a veto power—and I support the fact that this motion allows B.C. to have a veto power.

I was born and raised in Saskatchewan. A third of my life was spent there. When we talked about the prairie provinces we did not include B.C. We included Manitoba, Saskatchewan and Alberta and that is a natural region. B.C. has its rising population and its distinctiveness of trading with the Pacific Rim and everything else that the minister mentioned in his presentation. It is natural that B.C. is a region, the prairie provinces are a region, Ontario is a region, Quebec is a region and the Atlantic is a region.

With that kind of check on changing and bringing amendments to the Constitution, we will see this country grow and flower like we have never seen. We have to be willing to share and to support each other, not like the Reform Party where the leader was the one who suggested that we include B.C. as a separate region. What does Reform do now? It is going to vote against this motion.

It is that party which held up five fingers every question period. Why not B.C.? It got B.C. What is it doing? Reform members are not interested in Canadian unity. They are interested in scoring political points. They are scoring political points down to the point where they are 8 per cent in the polls.

I appeal to the Reform Party. I appeal to the Bloc Quebecois. This is Canada. It is the most beautiful country in the world. We are not building Canada for you and you and you and me. We are building Canada for future generations. That is why we were elected. If we believe in that, we will all pull together and pass this motion and the bill.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Madam Speaker, I have been saying for a long time that the federal Canada of 1867 was a compromise based on a misunderstanding: the vision of Sir John A. Macdonald, who wanted a legislative union, or a single parliament for all of Canada, and the vision of George–Étienne Cartier, who wanted strong provincial parliaments, as well as powers delegated to a federal legislature that would be a creature of the provinces.

However, the creature decided to become the creator and committed the sin of pride like our first parents, who paid the ultimate price, as will the federal system. Earlier, the hon. member for Parkdale—High Park told us how nice it is to have a resolution that recognizes Quebec's distinct nature, because of its civil law tradition. But we have known that since 1867. Indeed, subsection 92(13) provides that property and civil rights come under provincial jurisdiction. Consequently, we were allowed, at the time, to keep our civil code which, incidentally, was in effect as of 1866 in Lower Canada.

As for our language, one just has to use it in this House to realize that it is different, that it is distinct from that of our fellow Canadians. The same is true for our culture.

• (1720)

Following the speech made in Verdun by the Right Hon. Prime Minister, there was a shortage of Tylenol to bring the fever down, and something had to be done very quickly. Consequently, the government hurriedly drafted a resolution providing that Quebec is a distinct society because of its language, its culture and its civil code. We already knew that. But what comes with that recognition? Absolutely nothing. This is a meaningless statement. No powers are granted along with that recognition.

And to make sure of that, the government introduced Bill C–110 and told us: under the resolution, Quebec is a distinct society by virtue of its language, its culture and its civil code. That is it. We will not get anything else. And to be sure that nothing will change, Bill C–110 gives veto power to just about everybody. I call that the Colonel Sanders veto power: a big chicken with legs for everybody. That is what our federation with vetoes for everybody looks like.

According to what Mr. Jean Dion was saying last week in *Le Devoir*, from now on it will take the approval of the equivalent of 91.8 per cent of the population to change anything in the Canadian Constitution. This means that nothing can change any more. And the Prime Minister will be saying: "There is nothing I can do now for Quebec. I would like so much to be able to do more, but I cannot because of Bill C–110. Heavens, has that piece of legislation ever put us in a difficult situation. I would have liked so much to give French Canadians, to give Quebecers the same rights enjoyed by Canadians in the western provinces and elsewhere". So we are going to be stuck with that.

The leader of the Action démocratique du Québec, Mario Dumont, was telling us the other day that because of the close results in the referendum, the Quebec government would have to start opening the mail. The one thing we are sure of today is that, with the bill before us, postage will not be very expensive: half a page, 45 cents. And they think that they will buy peace in Quebec with half a page.

As my colleague from Joliette was saying, what Quebec wants is a white horse, not a pony, and I totally agree with that. Let us have something concrete. Before granting veto powers here and there to block any constitutional amendment, the government should come up with concrete proposals involving some devolution of powers to Quebec. It should repeal the preamble of section 91 which authorizes the federal Parliament to make laws for peace, order and good government in Canada.

This preamble has been used by the courts to grant the federal government unforeseen powers, for example, the general spending power, this national dimension theory allowing the federal government to get involved in almost every area, emergency powers and ancillary powers. All of these constitutional theories were approved by the courts, but were never foreseen by the Fathers of Confederation. If there had been Mothers of Confederation, the women would probably have realized at that time that something was wrong with the Constitution.

The government should also repeal section 91(29) dealing with residual powers. In 1867, it was said that all powers that were not specifically granted to the provinces would come under the jurisdiction of the federal government. Think about the development of all the technologies, like broadcasting, cable distribution, television, aeronautics—we are now talking about the information highway—which could not have been foreseen in 1867 and which automatically fall under the jurisdiction of the federal government, pursuant to section 91(29). These residual powers should be granted to the provinces retroactively, with a transfer period of no more than 12 months, so that the provinces can recover all of the residual powers which have surfaced since 1867 and the federal government can keep the power to subsidize it will need to exercise the powers the provinces will let it have.

The government should also remove from section 91 the federal powers in the area of unemployment insurance and give those powers to the provinces, as it withdraws from the field of taxation.

If we add a distinct society clause, it should be enshrined in the Constitution and not be limited to the present clause concerning only language, culture and the Civil Code, or Napoleonic Code, as the Prime Minister said the other day, in a rather revealing slip of the tongue. The Napoleonic Code is used in France. We have had our own Civil Code in Quebec since 1866.

• (1725)

So, we should have a distinct society clause enshrined in the Constitution stating that Quebec is a distinct society. The Constitution of Canada must be interpreted in such a way that the Quebec legislature is vested with all powers inherent to the recognition of its distinctiveness.

We would then have an interpretive clause that would colour the Constitution. We now hace a resolution of the House of Commons similar to the ones we use to mark an anniversary or the end of a conflict somewhere. That is not really what Quebecers want.

Section 95 of the Constitution provides that agriculture and immigration are shared jurisdictions. The problem is that in the very same section, we see that federal legislation prevails when federal and provincial laws clash. Section 95 should be abrogated and immigration and agriculture recognized as exclusively provincial jurisdictions. The federal government should withdraw completely from these fields.

We might as well abrogate the sections concerning the Senate. In 1995, we certainly do not need this chamber any more, a non–elected chamber which is now delaying Bill C–69 on electoral boundaries, for example. Non–elected people telling us how the House of Commons should be elected, that takes some nerve. We could abrogate this at the same time.

According to section 91 there is nothing in the present Constitution which specifically addresses the management of foreign policy. It was inspired by section 132, which set out the powers passed down from the imperial Parliament, the Parliament of Great Britain. We could add to section 91, under federal powers, that foreign policy is a federal jurisdiction, but solely in those areas falling under the legislative authority of the federal Parliament. Section 92 could have the addition that foreign relations are also under the jurisdiction of the provincial legislatures. Lieutenant–governors ought to be appointed by the legislative assemblies, as should senators if we keep the Senate.

Since today's debate is a bit short, I will skip over a few important aspects I was going to mention. When a package, a binding offer, is arrived at by the federal chambers, Commons and Senate, and the legislatures of all the other provinces, for there are many items that require unanimous consent, when that is done, then mail it off to Quebec and the negotiations can start. That can be the basis for negotiation. I do not expect to live long enough to see the day when postage costs will come down to a level that would allow such a document to be mailed.

So the Mario Dumont yardstick of at least reading the mail is no more, and since October 30, since the referendum results, we have had the proof in all ways possible that what the government is proposing is a totally cosmetic change with no substance whatsoever.

At both the report stage and on third reading, I will be proud to rise in this House to vote against Bill C–110, which has the sole merit of making the Verdun speech even more meaningless.

[*English*]

Mrs. Jane Stewart (Brant, Lib.): Madam Speaker, through these naive and inexperienced eyes, I view the debates on Bill C–110 and our resolution that calls on the House to recognize Quebec as a société distincte as some of the most important debates we have had in our 35th Parliament.

We have just completed another chapter in our collective history and in our search for ourselves. We know that chapters talk about the Vikings. It is absorbing to read about our First Nations, about Jacques Cartier and about New France. When I think about the chicken tracks that really are the depictions of Champlain's voyages across the map of North America in the 1600s, I find that the interest is nowhere near as exciting as the interest which is created when we study the human intrigue we see beginning with the conquest in 1759.

That word conquest is such a terrible misnomer. Our Canada was never conquered in the traditional British fashion. Canada was never a classic British colony. In fact it was quite the opposite. Look at the demographics at that time. There were some 65,000 French living along the St. Lawrence River, compared to only 5,000 or 8,000 British. The first British governor, Murray, had very little opportunity to quash the French culture, its language, its religion, its customary civil rights, its civil approach to property management and property exchange; nor did he want to.

• (1730)

The history books tell us that Governor Murray Murray at the time indicated: "I will govern by the dictates of my heart and my heart dictates clemency and understanding". Those were some of the very first notions of the British governors in Canada. That commitment continued and it became much more formalized in 1774 with the Quebec Act.

The British needed the support of the French against the rise of republicanism in the United States. They needed to ensure that the French were on side. Therefore, with the Quebec Act in 1774 there were very strong and real commitments that allowed for the free exercise of religion, for customary property and civil rights.

Those words are not very different from the words which included in this resolution which calls on the House to recognize Quebec as a distinct society in its religion, language and its right to civil institutions. I do not see the resolution as being anything special, unique or new. Rather, it is a very important reaffirmation of the commitments made to Canadians so very long ago.

Distinct society was understood in a very real sense by my ancestors. They were United Empire Loyalists, loyal to the crown. They came up from the United States after losing the revolution. They United Empire Loyalists came up through the walnut trail into southwestern Ontario and found a society different from that with which they were familiar. Catholicism was being practised. The French language was being spoken. There was no responsible assembly. They did not understand the method of transfer of property. The fee simple method, which was so much a part of the British culture, was not a part of society in Canada.

I suppose my ancestors were the first separatists. The United Empire Loyalists, who just could not make sense of the new community, the new situation, were successful in achieving the split into upper and lower Canada, right along the Ottawa River.

As time went on the issue and the need for responsible government was felt very clearly in both upper and lower Canada. We know about the Papineau revolution of 1837. We know that Lord Durham was sent over from England to complete a royal commission. His decision was to unify the two Canadas. He felt it was the right thing to do. He thought it was appropriate because in his mind it would create a homogeneous society by bringing the two cultures together. However, that is not how it works in Canada. It does not now and it did not then.

When the two first prime ministers, Baldwin from upper Canada and LaFontaine from lower Canada, came together to form the first great ministry, English was not the only language of Parliament. LaFontaine spoke in French. He and his colleagues from lower Canada were encouraged to speak French. As the Parliament moved from community to community, because there was not a set location, its members spoke in both English and French, without translation. Somehow they worked together. They understood each other. They took steps backward. They took steps forward and kept Canada together with two cultures and two languages working together.

It is that very heritage which has made this country what it is today. The acceptance of two cultures coming together to forge a common foundation has created Canada as we know it today: compassionate, humane, understanding, fully cognizant of the fact that to get along, to make progress, one does not have to deny a person's culture or an individual's history.

• (1735)

While it is very difficult to do, we can encourage people to keep what is so important to them, that is, their own sense and understanding of their personal history. It is this that has made Canada different from Britain, different from France. It is what has made Canada the best country in the world in which to live.

We still have difficulties and concerns. We look back and understand that shortly after Canada's 100th birthday in 1968 was the first comprehensive constitutional review. It was just a year after we celebrated Confederation.

From then on, we know the history. It is a litany of referenda, patriation of the Constitution, constitutional commissions, committees. We have been through 20–some years of discomfort, confused about where we are as a country.

Perhaps it is just the 100–year itch. Perhaps it is just a country anticipating a great future in the 21st century. If we step back and contemplate that, pull ourselves out of the reality as we understand it today, we may be able to find some important solutions for ourselves.

As we have noted with the extension of the veto to five regions, Canada as a result of social, economic and technological changes is regionalizing quite effectively. I look to my colleagues in Dartmouth and Moncton and consider the work they are doing to encourage the people in Atlantic Canada to think about a different kind of political unity, the unification of the Atlantic provinces.

Now may be the time and place when Canadians can step back, look at ourselves and ask the question, are we being paralysed by a paradigm of administrative doctrine of provinces that is constraining to us, that is making our clothes fit too tightly? Are we ready to break out and think of our country in a different way?

Can we actually contemplate a Canada of five regions: a strong Atlantic region; a strong region of Quebec with its deep cultural heritage that is so important to making the country unique; Ontario, which leads the industrial engines of the country; the prairies that have such great natural resources and truly are the bread basket not only of our country but perhaps even of the world; and of course, British Columbia, a different and unique part of the country.

Can we step back and allow ourselves to think of streamlining our country, bringing it together so that we can focus on our capabilities, on our strengths to build for a future, to make Canada not the slow moving, happy leviathan that has been treading water both calm and rough, but create ourselves into a darting and flexible space ship with five regions. We would add, of course, our very important First Nations, all under the umbrella of a strong federal government that could direct a comprehensive, cohesive, united Canada into the 21st century.

These are my ideas. We have so much to offer as a country to the people of Quebec, to the people of Ontario, to the people of British Columbia. I have great optimism that we have a strong future together and I would encourage the House to consider that as well.

Mr. Jack Ramsay (Crowfoot, Ref.): Madam Speaker, I appreciated very much the words that my colleague has just left with us.

When the justice minister appeared before the standing committee when we examined this bill, we were confronted with the fact that the bill transfers power or influence to the provinces, yet there is no definition of province. We do not know for sure to whom we are transferring the power. Are we transferring the power of veto to the provincial legislatures, to the cabinet or to the people of that province? This is very important. We saw during the Quebec referendum that it was not the Government of Quebec that kept Quebec within Confederation. It wanted to take the province out of Confederation. It was not the cabinet or the legislative assembly that kept Quebec in Canada, it was the people of Quebec.

• (1740)

If a veto is granted to the provinces surely it ought to be to the people of the provinces. The recent history of attempts to amend the Constitution shows very clearly that politicians will not represent the will of the majority of their people, as was the case in Alberta and in a number of other provinces on the Meech Lake accord.

The people of my province had the Meech Lake accord forced on them simply because our premier had signed an agreement. He then came back, laid down the law to his cabinet and caucus and that is what we were going to be stuck with.

If we want to maintain the unity of this country, as the hon. member has just so eloquently spoken about, if we want to appeal to those people who have vital reasons for staying within Canada and remaining united, then we ought not to leave the power to tear our country apart in the hands of the politicians. We must place power in the hands of the people who have a common sense feeling for this country and do not want to engage in these enormous social engineering experiments.

I asked the justice minister when he was before the committee to whom this bill was transferring power because there is no definition of province in this bill. He said that it could be the legislature who could then transfer that power to the people by way of referendum. However, there is nothing in this bill that mandates that the provinces go to their people.

It is a bit like the Charlottetown accord where there were provisions within the accord for the provinces to elect senators. However some of the provinces, including Quebec, were not going to allow the people to elect the senators. It was the legislative assembly that would elect them. In other words, the power of appointment was being transferred from the federal government to the provincial governments and they would do the appointing. We cannot unite a country that way. If we are to keep Quebec within Confederation we must transfer the power this bill will provide to the people and not to the politicians.

I have heard hon. members say that the people of Canada want us to move forward on this, that they support this. That is not what we heard from those who appeared before the standing committee. We had four distinct groups of aboriginal peoples who do not support this bill. These people are referenced in the Constitution. They should have been contacted and consulted just as the governments of the provinces should have been consulted. They are referenced in the Constitution as well.

However, the government of the day did not have time for that. It rushed this thing through and it is still rushing it through. We were given 48 hours, as my colleague mentioned earlier. We were going to sit until midnight to hear witnesses if enough witnesses came forward on such short notice. Some of them would have to prepare with only 24 hour's notice. Is it not amazing that we were going to rush this thing through and we are being told that the people of Canada want this bill, yet we are not giving the provinces sufficient time to prepare, attend and express their views about this bill?

We had the justice minister appear before the committee and tell us that this bill was constitutional. Some witnesses could not appear in person but appeared using a video hook–up in their own areas. Professor Morton, a professor of political science at the University of Calgary, stated the following concerning the constitutionality of this bill:

> The Chrétien veto law is unconstitutional, in as much as it proposes to legally change the amending process, without following the rules of that process. Section 41(e) of the Constitution Act, 1982, states explicitly that there can be no amendment to the part V amending formulas except with the unanimous consent of all 10 provinces and the federal government. The government's position is that because the "veto law" is not a constitutional amendment, it need not follow the amending formula. But this misses the crucial point that the amending process will have been changed and that this change will have the force of law.

• (1745)

He said that is the key point.

The justice minister is telling us it is constitutional. This professor, and I am sure others if they had had time to prepare and appear before the standing committee, are telling us that there are very serious concerns about the unconstitutionality of the bill. There is an inconsistency in legal opinions on the constitutionality of the bill.

I want to touch on some of the testimony made before the committee and some of the concerns raised by the aboriginal people. There were four groups. Grand Chief Matthew Coon–Come of the James Bay Cree appeared. Ovide Mercredi, the chief of the Assembly of First Nations appeared, as did Rosemarie Kuptana of the Inuit Tapirisat and Wendy Moss, her legal adviser. There was Zebedee Nungak from the Makivik Corporation. They all spoke against this bill. Why? They said it is going to affect their constitutional rights that are guaranteed under section 35 of the act. Rosemarie Kuptana said:

> Last week the *Globe and Mail* reported on a leaked federal memo that explicitly recommended our exclusion from national unity and constitutional discussions as well as recommending the means to achieve that exclusion. It was based on a cynical and wildly inaccurate view that our silence or acquiescence on national and constitutional issues could be bought by making financial commitments at the local level on unrelated files. In its worst light, this strategy can also be viewed as a form of blackmail, progress on matters outside the Constitution or national unity will only come in return for silence on our constitutional rights.

That formed part of the presentation from the leader of that aboriginal group. I do not have time to go into all of these comments, but the Grand Council of the Cree indicated this:

> Bill C–110 is inadequate and unacceptable from an aboriginal perspective and we think will be found to be inadequate and unacceptable from the perspective of all Canadians.

We did not hear that many witnesses, but we heard many things said about this bill. The individual who spoke the most and made the most fundamental comment was Ovide Mercredi, chief of the Assembly of First Nations, who said: "No autocrat is going to unite Canada". He pointed out very clearly that Bill C–110 has not united Canada; it has divided the provinces. It has not brought the aboriginal peoples in; it has divided them.

I simply cannot support the bill for the reasons given.

Ms. Judy Bethel (Edmonton East, Lib.): Madam Speaker, I rise today to speak to the motion presented by the hon. Minister of Justice proposing amendments to Bill C–110 to add a regional veto for the province of British Columbia.

The amendments to Bill C–110 reflected in this motion are not only a step forward for the province of British Columbia, but recognize the importance of the province of Alberta within Canadian federalism. These amendments show that Canadian federalism is flexible and dynamic. It is an example of our commitment to make federalism work for all Canadians.

• (1750)

With Bill C–110, the motion on distinct society for Quebec and the recognition of the essential provincial role in labour market training, our government has taken the initial steps to respond to the aspirations of Canadians within our local communities for change. It is change to make our national institutions more responsive to the diverse regional interests and on the basis of our unique federal state and change to deliver on the commitments made by the Prime Minister to the people of Quebec and to the people of Canada to involve Canadians at the grassroots level in building bridges of accommodation and mutual respect for diversity that will serve to bind our nation together in a common purpose as we approach the 21st century.

The unity package is a recognition that the province of Quebec is a vital part of our Canadian identity, an identity which has as its basis the principles of understanding, tolerance and respect for diversity.

The motion on distinct society reflects an important part of the Canadian reality, the unique character of Quebec within our federal state. The Government of Alberta has recognized the unique nature of Quebec's language, culture and civil law traditions. The March 1992 report by the special select committee of the legislative assembly of Alberta advocated recognition of Quebec as a distinct society with recognition to include matters of language, culture and civil law.

Leadership candidate Ralph Klein was a member of the provincial government in 1992 and campaigned in favour of the Charlottetown accord which contained the principle of distinct society within Canada. Premier Klein has acknowledged that the province of Quebec is distinct within Canada: "There is something distinct in terms of civil law, language, tradition and culture that makes Quebec distinct". That is from the October 24 Calgary *Herald*.

The regional veto formula contained in Bill C–110 is in accord with the Reform Party's vision as expressed on October 15, 1995 in its 20 measures to modernize Canada. The Reform Party supported the concept that all future constitutional amendments be approved by majorities in all regions of Canada through a referendum. I remind the Reform Party that Bill C–110 leaves the regions with an option as to how they would apply their regional veto as an expression of the will of the people. As an Albertan I would expect the province of Alberta would use the referendum act passed in 1992 to reflect the will of Albertans.

The residents of my constituency of Edmonton East may not have developed consensus on the nature of changes required to renew Canadian federalism but make no mistake: passion for this country and the resolve to ensure its unity is felt by all in Edmonton East. Residents in Edmonton East share with Quebecers the same values of seeking constructive and positive changes to build a more effective Canada for the 21st century.

Let me stress for the record that this package is the first step and only a first step. The next step must involve Canadians in defining the change. Dictating the 20 terms of secession from Confederation from the political backrooms as Reform did without the active involvement or participation of Canadians in our local communities is not consultation. We must begin the process by sitting down with Canadians in our cities, in our towns, and in our communities to come to a better understanding of our similarities and our differences as Canadians and how we can work together to meet the aspirations for positive and constructive change that will make Canada work more effectively and efficiently for all Canadians.

We are a better nation when we pull together, building on our common aspirations for change and respecting our diversities. We are a better nation when we work for the common Canadian interest rather than the narrow regional or provincial self–interest. History proves it. Over the past 128 years Canadian federalism has shown an amazing resiliency. While federalism may have bent at times, it has never been broken. That is a tribute to the generosity of the Canadian spirit to adapt to changing circumstances through creativity and innovation.

• (1755)

We have successfully met all the challenges over the past 128 years. Our network of social programs are the envy of the world. Medicare, the Canada pension plan, support for the disadvantaged and the disabled; these were all implemented through the process of consensus and agreement among Canadians.

We can meet the challenges of renewing Canadian federalism as long as we work together as Canadians in a spirit of mutual respect, understanding and co–operation. That is the genius of our federal system.

I welcome constructive dialogue with the people of Alberta on the implications of change. I believe it is important that Albertans be able to speak out on change. That is the basis of our economic and parliamentary democracy.

The Prime Minister has acknowledged the need to involve Canadians in the process of defining change. That is why he has indicated that Bill C–110 will serve only as a bridge until the formal review of the amending formula which is required by April 1997. As we lead up to that formal review, our government is receptive to new proposals by Canadians that will better reflect the principles of regional equality and equity in the process of constitutional amendment.

I will be consulting with the people in the communities of Edmonton East as to what steps we can take as a government to better reflect the principle of provincial equality within the amending formula and what steps we can take to build bridges of accommodation between the people of Quebec and all regions of Canada.

I would like to talk about a series of unity initiatives that were held in Edmonton East two weeks ago. The purpose of the forums and the round tables was to develop a better understanding of the issues of distinct society and regional veto and to provide Edmonton East constituents with an opportunity to express their thoughts and feelings on Canadian unity, to define the desired changes to federalism and to develop actions that individuals, our government and groups can take within our communities to enhance Canadian unity.

These forums involved a wide range of participants within Edmonton East: school children, families, the business community, francophone Albertans and representatives from our multicultural communities. I invited the member for Vaudreuil to discuss with the constituents of Edmonton East what the people of Quebec want and need from Canadian federalism and to explore the changes that are required to respect and value our distinctiveness and to enhance our shared aspirations for change within a strong and united Canada.

We examined four questions: How are you feeling and what are you thinking about the Quebec referendum and Canadian unity? When we talk about language, culture and institutions, how are the people from Quebec and Alberta different and how are they similar? Given our differences, what changes to our Confederation do we need to make to accommodate the needs and aspirations of both the people of Alberta and Quebec? What can you and I as individuals who live, work and go to school in Edmonton East do to enhance Canadian unity? It would be useful and interesting for us to ponder some of the responses to these four questions. I would be happy to share the report with anybody who is interested.

On the Quebec referendum and Canadian unity: "There is a great anxiety as to what is going to happen next. Canadian unity is fragile. The referendum was a real wake–up call for all Canadians". A second quote: "We must explore comprehensive change to Canadian federalism. We cannot continue to apply band–aid solutions".

To the question of how people of Quebec and Alberta are different and how they are similar: "The differences between us are well known. We have diverse cultural aspirations. The real test is whether Canadians are prepared to accept these cultural differences and aspirations in a spirit of respect and understanding".

These are not the comments of people who are preoccupied with secession and separation as are the Reform Party and the Bloc Quebecois. These are the comments of people who want to be involved in a process of defining changes that are necessary to respect our distinctiveness, value our diversity and reflect our shared aspirations for a strong and united Canada.

Frankly, Canadians are tired of the politics of discord and division that seem to be the agenda of the Reform Party and the Bloc. I can give my assurance to the residents of Edmonton East that I will continue to take their suggestions for constructive and positive change to Ottawa, to the Prime Minister and to the unity committee.

Let us acknowledge what the unity package is, that it is the first step. Let us move on to the second step, to build bridges between our communities, between our provinces and between our regions. Let us build the case for Canada by involving all Canadians.

• (1800)

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, I welcome this opportunity to speak to Bill C–110 introduced by the federal government. This bill is suppose to legislate the changes the Prime Minister promised during the referendum campaign. In addition to Bill C–110, we also have motion No. 26 on the distinct society and the changes in manpower training.

Quite a menu, all these changes, at least the federal Liberals seem to think so. Just think, the Prime Minister went on national television during the referendum to announce sweeping changes if the no side won. Quite a menu, according to the federalists. But Quebecers feel they are looking at an empty plate. There is nothing here to satisfy Quebec's legitimate demands. Nothing to meet the expectations of Quebecers who believed the Prime Minister's promises made in haste towards the end of the referendum campaign and served up with a catch in the throat and, almost, a tear in the eye.

The no side won in a photo finish: 50.6 per cent of the voters said no, and many of them believed in the last minute national farce produced by the little guy from Shawinigan. On the other hand, 49.4 per cent of Quebecers said yes, in fact 56 per cent said yes in the little guy's part of the country. Most revealing.

The message from Quebecers was clear, and it will be even more so next time. Meanwhile, we have to live with the Prime Minister's initiatives which clearly show he did not get the message. In fact, will he ever get the message? Will he ever understand what Quebecers really want? In light of the changes he proposes and of his previous actions toward Quebec, it is easy to conclude that the Prime Minister is out of touch with Quebec and that his roots are Canadian from coast to coast first and foremost.

Let us not forget that the hon. member for Shawinigan is following in the footsteps of the illustrious Pierre Elliott Trudeau, who has always advocated Canadian unity, equality among the provinces, and individual rights and freedoms above all, especially with a view to checking Quebec's momentum. These Liberal politicians have always believed in 10 little provinces that are equal and subordinate to a dominant central state, the Government of Canada.

How can someone who has been soaking in this kind of atmosphere for 30 years not become contaminated? Can we hold this against the Prime Minister? Of course, it is not easy to break from the past and the illustrious Trudeau and to amend this outdated concept that lives on in federalist minds. Too bad for them. But is it their choice and their problem.

In this regard, I recently had a discussion with a remarkable constituent of mine, Bernard Gilles Grenier, whom I salute, who remembered a time when he rubbed shoulders with eminent Quebec federalists. He told me: "They have always wanted to clobber us separatists. From Trudeau to the current Prime Minister. But we should not worry, because Quebecers evolve much more quickly than those people. Problems cannot be resolved by using such gutter language or by stooping to that level. I can tell you from experience".

We must also acknowledge the giant step taken by Quebecers between the 1980 referendum and the one held in October. With popular support having grown from 40 to 50 per cent, Quebec's sovereignty is at hand, and Bill C–110 as well as the other meaningless measures improvised by the Prime Minister will certainly not quash Quebecers' will to build a country of their own.

In this regard, editorialist Alain Dubuc wrote the following in the November 29 edition of *La Presse*: "But this beginning of a reform remains too modest and too uncertain to represent a proposal acceptable to Quebecers and constitute a credible alternative to the sovereignist movement".

In his editorial comment entitled "Quebecers want more, much more", Alain Dubuc goes on to say: "Let there be no mistake. Had the Prime Minister declared during the referendum campaign that all Canada had to offer in terms of prospects for change were the three proposals put forward on Monday, the yes side would have won". It is interesting to note that Mr. Dubuc had sided with the no camp throughout the campaign.

• (1805)

Earlier, I commented on the Prime Minister being out of touch with Quebec and not understanding Quebec. Mr. Dubuc, a federalist editorialist at *La Presse*, a newspaper owned by Paul Desmarais, who pulls the strings of this Liberal government, supported my position on occasions in recent articles. First, on November 29, when he wrote: "This first and rather timid effort shows mainly that the Liberal government is having a real hard time understanding what is going on in Quebec".

And second, on December 8, Mr. Dubuc wrote: "The Prime Minister is showing that he does not understand all that well the country that he is seeking to save and that he is not living in the same world as the Quebecers he has to convince".

Mr. Dubuc is quite clear: the Liberal proposals just do not cut it. That opinion is clearly confirmed by a SOM–*La Presse–Droit de parole* poll released on December 8. The results of that poll are very telling, since 53 per cent of Quebecers find the proposals inadequate, and 30 per cent even find them totally inadequate. Is that clear enough?

Then there is Claude Ryan who, on Friday, during Radio–Québec's *Droit de parole*, said that he too felt these offers were inadequate. Coming from such a firm believer in the Canadian cause, this is quite the statement.

The veto proposed by the Minister of Justice is part of that last minute plan. That second element once again created a circus–like atmosphere, something at which the Liberals are expert. That second element, that proposal to "loan" the federal veto, was condemned by just about every major stakeholder in Canadian politics. From coast to coast, opponents rose to strongly condemn that proposal. The Mercredis, Filmons, Romanows, as well as the Reform Party leader and, yesterday, the Conservative leader, all condemned the plan.

We, members of the Bloc Quebecois, will have nothing to do with this bill, which contributes nothing to the debate. As pointed out by our leader, it is, at best, a diversion used by the Liberal government to silence those who criticize it for not doing anything about the constitutional issue, for making promises and for misleading the public.

This bill, which, following the minister's amendment, gives a veto to five regions, is a political maneuver that does not change in any way the substantive issue that concerns Quebec and Canada. The Minister of Justice himself has said that it does not change the Constitution and that it is primarily a form of self–discipline on the part of the federal government. Actually, the federal government is resorting to self–discipline in order to avoid giving too much to Quebec.

Suppose that the federal government acted as if it wanted to give an advantage to Quebec by transferring new powers to this province, for example under Motion No. 26 which recognizes Quebec as distinct. What would happen? Wham. The power of veto of the other regions would be invoked immediately to put a stop to any such intentions on the part of the federal government. This is the new self–discipline the federal government is resorting to. Yet the federal government is getting itself of the hook with this measure. It will be able to open doors to Quebec without any fear, knowing that the veto of other regions will slam those doors shut.

Therefore Bill C–110 will have a perverse effect. While solving none of our present problems, it will make it even more difficult for the federal government to transfer powers to Quebec, though I strongly doubt it intends to do so.

In this morning's issue of *Le Devoir*, Jean Dion wrote the following on this issue: "The constitutional amending formula requiring the approval of seven provinces constituting at least 50 per cent of the Canadian population was already considered very restrictive. Yet, this formula will now require the prior approval of seven provinces representing 92 per cent of the Canadian population. One can already imagine a few crafty persons coming to the conclusion that the approval of 14 provinces representing 142 per cent of the population of Canada will now be required. After all, this would not be the first incongruity for this country".

• (1810)

In other words, Bill C–110 is a yoke, a straight jacket, which this country is putting on itself. The whole thing is becoming so complex that nobody believes in it, except of course the leader of this national farce, the Prime Minister himself.

Those of us in the Bloc and many Quebecers are left cold by the federal proposals. We are light years beyond them, and Quebec sovereignty alone is acceptable and inevitable. This real change will take place soon.

[*English*]

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, the more I listen to the debate, the more I am reminded of Sir Winston Churchill's statement that democracy is the worst of all kinds of government except all the others.

Today we have heard many views of the solutions to the national unity problem we are facing in Canada. Regardless of how much we talk about it and to what depth we go into it, we must focus on the larger picture. The larger picture is that of a strong, united Canada. It means unity at the local level, loyalty to the community, loyalty to the province and loyalty to the nation as a whole, all blended together. That is what was intended by the Fathers of Confederation and great Canadian statesmen who put the country together.

We are now 128 years old. In terms of years and of the history of other countries that is not very long. However, we are still experiencing growing problems whether or not we recognize them as that.

The ongoing project for us today is that of being pioneers of our era and building a nation that was the dream of Canadians in the past and is the dream of Canadians in the future by bringing national unity into reality in a continent–wide country by bridging the challenges of geography, by bridging diverse peoples, by going against the pull of American influence, by bridging regional and cultural differences and by relationships between French speaking and English speaking communities.

A book I depend on a great deal is *Canada: A Story of Challenge* by historian J. Mr. S. Careless. In one sentence he goes into the diversities of the country but ends up by saying the book is a surprised and measured satisfaction that so much has been accomplished in the face of such grave difficulties". He wrote that more than 40 years ago. He ended by saying: "Nevertheless, the author's awareness that Canada throughout her history has met and survived repeated and rigorous challenges still gives him a basis for believing that she will continue to do so".

As we debate the issue today we must look at the larger picture. Instead of getting ourselves all tied up into knots about regional matters and who has a veto and who does not, let us be fair to the various regions of the country. Let us develop more and more a stronger and a more meaningful, deep and abiding national pride in the country as a whole. The depth of that feeling is called a national spirit or it is a feel for one's country as a whole.

We saw a good example of that in Montreal during the massive rally when Canadians came together. Our loyalties are a three–tier system: the community, the province and the nation. It is a pride in the entire nation that will pull the regions and the peoples closer together. Canadians can and should have love for their community and admiration for their province and their nation at the same time. But we must tie it all together with the words and the term, "love of nation—Canada".

• (1815)

Premiers have a responsibility to their individual provinces but must not think of becoming a power unto themselves. A few weeks ago the premiers were going to meet without the Prime Minister because they wanted to discuss what the provinces wanted. This is why Canada should have a strong national government. It will pull the nation together. It is why the premiers and the Prime Minister must work closely together, not separately as the premiers were attempting to do. Everybody must see the national picture if we are going to succeed. We must have good communications and good transportation links.

I have been disappointed with the Reform Party's tunnel vision on this, particularly the statement made by the leader of the Reform Party on October 28, when he said: "The less the politicians themselves get involved, the better. We have a lot of work to do on how to handle the morning after". The people of Canada expect their politicians to show leadership on this issue and it is what the government is attempting to do.

The B.C. premier complained about other items in order to get his point across, but he sounded more like the captain of a sinking ship.

If we were not going through this process now in the House, then the government would be accused of not being interested, not living up to its commitments. Our response to Quebec is a

necessity. In my view, our response to B.C. is a necessity. I have always considered B.C. a very unique part of the country. I have visited there on many occasions and have a great sense of appreciation for it.

This legislation is a response of support for those people in Quebec who want to stay in Canada and also to persuade others to change their minds, to come back and stay with the nation.

The leader of the Bloc states that he does not want any changes at all, that he is not going to accept any changes at all. That too is tunnel vision. Is it not surprising that it comes from a man who changes political parties like he changes his clothes?

I believe today and I have believed in times past that B.C. is a different region of the country. I have visited it on many occasions and travelled through the Rockies on various occasions. I have visited the site where the last spike was driven for the CPR. Our country should put up a sign there 40 metres long and 20 metres high. If this had taken place in the United States it would be advertised. It is a big part of our history. Let us be proud of it.

After 1871 Canada were committed to building a railway across the country to tie it all together. The settlement of the prairies took place thereafter. I have visited the prairies on many occasions. People say that they get bored travelling the prairies. I do not at all. I think it is wonderful. As a person who grew up on a farm I have a great sense of appreciation for that great part of Canada.

Ontario and Quebec have an industrial base. They have beauty, tourism and culture. I have visited different areas of Quebec with my family on many occasions.

The region of Atlantic Canada is unique, friendly, hard working. They believe in tourism and practice it well. The people have a wonderful sense of humour.

• (1820)

Come on Canada, look at what we have. Be positive. Be grateful and satisfied. The good Lord has been kind to us. It is time we showed some appreciation for the gift He has given to us. For heaven's sake, let us appreciate it. Let us build bridges through understanding, not hate. Let us stand up for Canada and be proud. Shout out our national pride and look to our opportunities and our good fortune.

Anyone can hate and criticize, but it takes a good solid Canadian citizen from anywhere in Canada to stand up and say: "I love my community, I love my province and I want Canadian unity and a Canadian spirit that works together in a dedicated way so that we can move forward and do good things for Canadians today, tomorrow and the next day" and send the message to the whole world that we have a Confederation success story to tell everybody. We have that great purpose and vision in our hands right now as we discuss this issue in Parliament.

Let us do it. Let us join with the Canadian people who showed their great unity at the major rally in Montreal and others who sent messages across Canada when they could not be there. Let us show a sense of appreciation by coming together and finding a solid solution to the national unity of our beloved Canada.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, I rise today to make a few comments on Bill C–110, an act respecting constitutional amendments.

I believe and a lot of people in the House know this bill was concocted in haste. It was concocted to please the wrong people, to please the separatists. It has already been criticized by other provinces that are supposed to be pleased by it: B.C., Alberta and Quebec are not happy with this bill.

An amendment to Bill C–110 was introduced today recognizing B.C. as a separate region. We knew that right from day one. Where has the Prime Minister been? Why did he not include B.C. in the first place?

The hon. member for Renfrew—Pembroke—Nipissing spoke eloquently. He says B.C. is such a wonderful place that it should have signs 20 feet by 20 feet. Where was he a week ago when the bill was brought forward? Why were they all sitting there so quiet, kowtowing to the Prime Minister who consulted only a few people when he brought in this bill?

The issue is not five regions or four regions. We know that B.C. is a region. We have always known that. All the members of the Reform Party from B.C. have known that. The issue comes down to the Constitution and what this Prime Minister and a very few members of his cabinet are doing to it. This is what the Canadian public does not understand. This is what I feel is important for us in the House to point out, especially in opposition.

The Constitution Act of 1982 has rules on how to make changes to it. If we wish to amend the Constitution, wherever it starts from, here or in the provinces, it requires the approval of seven provinces out of ten representing 50 per cent of the population. That is in order to approve an amendment. It also requires the approval of the federal government, the House of Commons.

The government is now trying to share. It is arguing that it is sharing the federal government approval along with the seven out of ten provinces. It is going to share that with the provinces but it is not clear what "provinces" means, whether it means legislatures or whether it means the people of a province. It divides the provinces into regions and lumps them together.

I do not wish to address five regions versus four regions. I want to argue that the government is tinkering with the amending formula. By tinkering with the amending formula I am afraid the bill is going to be ruled unconstitutional and this is all a waste of time. We should be addressing what is on most people's minds—and the very reason this party got elected supposedly

was to create jobs—the economic agenda and the criminal agenda.

The bill may be struck down as unconstitutional. As my colleague from Calgary West pointed out earlier, this bill violates the principle of the seven provinces out of ten representing 50 per cent of the population. By sharing it with the regions, whether it is four or five is irrelevant. The bill is now requiring the approval, before the federal House gives it, of 80 per cent or 90 per cent of the population. Therefore it is tinkering, tinkering at its worst.

• (1825)

It is all a waste of time to please some people in the country who will never be happy. They are called separatists. The more we give them the more they want. Why do we not stop the game, please Quebecers and please all Canadians and get on with making laws which are important? The Prime Minister was elected to not talk about the Constitution and constitutional amendments, and here he is doing it.

If the federal government wishes to share its vote, why not give it to the people? Why not be clear about it? Why not give it to the people of the five regions? No, government members voted against that in committee. They want to give it to the legislatures again. The legislatures already have a vote through the seven and fifty formula for constitutional amendment. Now, whether the federal government approves or denies, the legislatures will be given another vote based on regions. That is ridiculous. It is a double veto. I do not understand that. If it really wants to have more input, if it wants to share its veto, if it wants to share its vote, then why not share it with the people of the regions as opposed to the legislatures for a second time?

The reason we are criticizing this is that the legislatures already have a say. They have one say. That is great. If they do not get their way, then they will go behind closed doors and the leaders of the provinces of the five regions will make a deal. We want to protect the Canadian people against that. If Canadians are going to have a say, they should have it through referenda. That is why we are barking, loud and clear, about what we mean. I hope the government is listening.

It is a double veto and a direct legal instrument. The government, instead of the House of Commons where it has the majority, is now going to share its veto with five regions. It gets worse. With the legislatures of the five regions it is a double veto. Now the government is going to give its veto to a separatist government from the province of Quebec. How in heaven's name are we ever going to make changes to the Constitution? How in heaven's name are we ever going to unify the country if the government gives the Parti Quebecois a veto? That party will never vote on anything for Canada. It does not want to build a nation; it wants to tear it apart. I cannot believe how such a passionate plea can comes from the government side with such stupidity. It has failed to recognize who it is giving the veto to. It is giving it to the Parti Quebecois, which wants to break up the country. That province should not have a veto.

The people of Quebec should have the veto. The people of Quebec should be able to stand on any issue which affects their Constitution and which drastically changes the rules of the Constitution Act. The people of Quebec should have a say. I trust the people of Quebec. They have voted already. Yes, it was close, but they voted to stay in Canada. That is who we should be pleasing.

Why does the government not give them the same right if it is going to share? It should share with the people who helped government members stay in their seats. It should share with the people who helped to save the Prime Minister. It should share with those people who want to keep the country together. Do not give it to the Parti Quebecois which wants to tear the country apart. That is absolutely ridiculous.

The people of the country are smarter than what we become after being in this closed box for a year or two. That is why we need input every once in a while. That is why we need a little jab in the back or a pinch in the behind to wake us up. A little cool water, running fresh over our faces, will make us pay attention to the voters who sent us here. It gets too easy when we talk to ourselves.

I cannot believe that the government will not listen. It plays politics with everything. The issue is the people versus the legislatures. We are making meaningful amendments, such as the amendment of the hon. member for Calgary West.

• (1830)

The bill says no changes can be made unless the amendment has first been consented to by a majority of the provinces. We understand that is the seven out of ten. It is kind of funny rhetoric—and the member for Calgary West has studied the Constitution extensively—that replacing two-thirds of the provinces would clear up the mess. It would clear it all up and we are down to the issue of whether we mean the people or the legislatures.

If we give it to the legislatures we are giving it twice. We are giving it to the party in power right now for the next two years. If saint so-&-so gets elected as a leader of that party, who knows how long he will be leader? The country will be held up for ransom for time immemorial. A no vote means never and a yes vote will mean forever. Just once we have to lose a referendum and we lose the country.

This is how serious it is, and the government laughs. It makes snide remarks at the Reform Party. I call the government to task. I am not here playing politics. I am serious about what I am saying. I am serious about giving a veto to a government that can never ever allow change. It should be difficult to make changes to a constitution. There is no question about it, but change should be possible with reasoned arguments and reasoned debate.

I will end my comments on that note. I hope the Prime Minister is listening somewhere in the world.

* * *

RECOGNITION OF QUEBEC AS A DISTINCT SOCIETY

The House resumed from December 7 consideration of the motion and the amendment.

The Acting Speaker (Mrs. Maheu): Pursuant to order made Wednesday, December 6, 1995, the House will now proceed to the taking of the deferred division on the motion of the Prime Minister under government business No. 26.

Call in the members.

And the bells having rung:

The Acting Speaker (Mrs. Maheu): The question is on the amendment.

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

(Division No. 392)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Cummins
Forseth
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jennings
Manning
McClelland (Edmonton Southwest/Sud-Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Stinson
Williams —41

Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Chatters
Epp
Gouk
Grubel
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Johnston
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Speaker
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Allmand
Anderson
Assadourian
Augustine
Axworthy (Winnipeg South Centre/Sud-Centre)

Alcock
Althouse
Assad
Asselin
Axworthy (Saskatoon—Clark's Crossing)
Bachand

Bakopanos
Bélanger
Bellemare
Bernier (Gaspé)
Bethel
Bhaduria
Bodnar
Bouchard
Brien
Brushett
Caccia
Campbell
Caron
Cauchon
Chan
Chrétien (Saint-Maurice)
Collenette
Cowling
Dalphond-Guiral
de Savoye
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
English
Fillion
Flis
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Gerrard
Godin
Graham
Grose
Guay
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Kerpan
Kilger (Stormont—Dundas)
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint-Paul)
Lee
Leroux (Shefford)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Ménard
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
Nunziata
O'Reilly
Pagtakhan
Parrish
Payne
Peters
Phinney
Pickard (Essex—Kent)
Proud
Richardson
Riis
Robillard

Bélair
Bellehumeur
Bergeron
Bertrand
Bevilacqua
Blaikie
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Copps
Crête
Daviault
Debien
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
Fewchuk
Finestone
Fontana
Gagliano
Gagnon (Québec)
Gauthier
Godfrey
Goodale
Gray (Windsor West/Ouest)
Guarnieri
Guimond
Harper (Churchill)
Hickey
Hubbard
Iftody
Jacob
Karygiannis
Keyes
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lefebvre
Lincoln
Loubier
Maclaren
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Mercier
Milliken
Mitchell
Murray
Nunez
O'Brien
Ouellet
Paradis
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Reed
Rideout
Ringuette-Maltais
Rocheleau

Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Walker
Wood
Zed—197

Sauvageau
Serré
Sheridan
Solomon
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Torsney
Tremblay (Rosemont)
Valeri
Venne
Wappel
Young

PAIRED MEMBERS

Bélisle
Canuel
Eggleton
Marchand
Paré
Regan
St. Denis

Blondin–Andrew
Culbert
Leroux (Richmond—Wolfe)
Minna
Pomerleau
St–Laurent
Szabo

● (1900)

The Acting Speaker (Mrs. Maheu): I declare the amendment lost.

[*Translation*]

The next question is on the main motion.

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

Some hon. members: Agreed

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those against 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 House divided on the motion, which was agreed to on the following division:)

(*Division No. 393*)

YEAS

Members

Adams
Allmand
Assad
Augustine
Bakopanos
Bélanger
Bertrand
Bevilacqua
Bodnar
Boudria
Brushett
Caccia
Campbell
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Collenette
Cowling
Dhaliwal

Alcock
Anderson
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Bélair
Bellemare
Bethel
Bhaduria
Bonin
Brown (Oakville—Milton)
Bryden
Calder
Cannis
Cauchon
Chan
Clancy
Copps
DeVillers
Dingwall

Discepola
Duhamel
Easter
Fewchuk
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Guarnieri
Harper (Churchill)
Hickey
Hubbard
Iftody
Jordan
Keyes
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
Maclaren
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Reed
Rideout
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Steckle
Stewart (Northumberland)
Terrana
Tobin
Ur
Vanclief
Wappel
Young

Dromisky
Dupuy
English
Finestone
Fontana
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Harvard
Hopkins
Ianno
Irwin
Karygiannis
Kilger (Stormont—Dundas)
Knutson
Lastewka
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lincoln
MacDonald
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
O'Brien
Ouellet
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Speller
Stewart (Brant)
Telegdi
Thalheimer
Torsney
Valeri
Walker
Wood
Zed—148

NAYS

Members

Abbott
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Blaikie
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast/Sud–Est)
Chatters
Crête

Ablonczy
Asselin
Bachand
Benoit
Bernier (Gaspé)
Bouchard
Breitkreuz (Yorkton—Melville)
Brien
Caron
Chrétien (Frontenac)
Cummins

Dalphond-Guiral	Daviault
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Epp	Fillion
Forseth	Gagnon (Québec)
Gauthier	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Johnston
Kerpan	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lefebvre	Leroux (Shefford)
Loubier	Manning
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)
Ménard	Mercier
Meredith	Mills (Red Deer)
Morrison	Nunez
Penson	Picard (Drummond)
Ramsay	Riis
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Solomon
Speaker	Stinson
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne	White (Fraser Valley West/Ouest)
Williams—91	

PAIRED MEMBERS

Bélisle	Blondin-Andrew
Canuel	Culbert
Eggleton	Leroux (Richmond—Wolfe)
Marchand	Minna
Paré	Pomerleau
Regan	St-Laurent
St. Denis	Szabo

• (1910)

[*English*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

Mr. Reed: Madam Speaker, if the Clerk would check, he would find that the hon. member for Halifax West is not here in his seat but the hon. member for Halton—Peel is.

The Acting Speaker (Mrs. Maheu): Duly noted.

Mr. Solberg: Madam Speaker, it is important to note on this important debate that the leader of the Conservative Party is not here.

The Acting Speaker (Mrs. Maheu): I am sure the hon. member is well aware that we do not mention the presence or absence of any member in the House. The hon. member for Halton—Peel will duly be recorded as present.

* * *

SUPPLY

ALLOTTED DAY—BRITISH COLUMBIA LAND CLAIMS

The House resumed from December 7 consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to order made Wednesday, December 6, 1995, the House will now proceed to the taking of the deferred division on the motion of the hon. member for North Island—Powell River relating to the business of supply.

Mr. Boudria: Madam Speaker, I believe you would find unanimous consent that the members who voted on the previous motion be recorded as having voted—

Some hon. members: No.

Mr. Boudria: Obviously the information given by the whip of that party was not accurate.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 394*)

YEAS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	Epp
Forseth	Gouk
Grey (Beaver River)	Grubel
Hanger	Harper (Calgary West/Ouest)
Harper (Simcoe Centre)	Hart
Hayes	Hermanson
Hill (Prince George—Peace River)	Hoeppner
Jennings	Johnston
Kerpan	Mayfield
McClelland (Edmonton Southwest/Sud-Ouest)	Meredith
Mills (Red Deer)	Morrison
Penson	Ramsay
Ringma	Schmidt
Scott (Skeena)	Silye
Solberg	Speaker
Stinson	Thompson
White (Fraser Valley West/Ouest)	Williams—42

NAYS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Assad
Assadourian	Asselin
Augustine	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre/Sud-Centre)	Bachand
Bakopanos	Bélair
Bélanger	Bellehumeur
Bellemare	Bergeron
Bernier (Gaspé)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blaikie
Bodnar	Bonin
Boudria	Brien
Brown (Oakville—Milton)	Brushett
Bryden	Caccia
Calder	Campbell

Supply

Cannis	Caron
Catterall	Cauchon
Chamberlain	Chan
Chrétien (Frontenac)	Chrétien (Saint-Maurice)
Clancy	Collenette
Copps	Cowling
Crête	Dalphond-Guiral
Daviault	de Savoye
Debien	Deshaies
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Dubé
Duceppe	Duhamel
Dumas	Dupuy
Easter	English
Fewchuk	Fillion
Finestone	Flis
Fontana	Fry
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Gallaway
Gauthier	Gerrard
Godfrey	Godin
Goodale	Graham
Gray (Windsor West/Ouest)	Grose
Guarnieri	Guay
Guimond	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jacob	Jordan
Karygiannis	Keyes
Kirkby	Knutson
Kraft Sloan	Lalonde
Landry	Langlois
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lefebvre	Leroux (Shefford)
Lincoln	Loney
Loubier	MacDonald
Maclaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Ménard
Mercier	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mitchell	Murphy
Murray	Nault
Nunez	Nunziata
O'Brien	O'Reilly
Ouellet	Pagtakhan
Paradis	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Richardson
Rideout	Riis
Ringuette-Maltais	Robillard
Rocheleau	Rock
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Simmons
Solomon	Speller
Steckle	Stewart (Brant)
Stewart (Northumberland)	Taylor
Telegdi	Terrana
Thalheimer	Tobin
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Venne	Walker
Wappel	Wood
Young	Zed—194

PAIRED MEMBERS

Bélisle	Blondin-Andrew
Canuel	Culbert
Eggleton	Leroux (Richmond—Wolfe)
Marchand	Minna
Paré	Pomerleau
Regan	St-Laurent
St. Denis	Szabo

• (1920)

[Translation]

The Acting Speaker (Mrs. Maheu): I declare the motion lost.

SUPPLEMENTARY ESTIMATES (A)

Hon. Marcel Massé (for the President of the Treasury Board): moved:

That the Supplementary Estimates (A) for the fiscal year ending March 31, 1996, be concurred in.

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

Some hon. members: Agreed.

Some hon. members: On division.

(Motion agreed to.)

Mr. Massé (for the President of the Treasury Board): moved that Bill C-116, 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, be now read for the first time and printed.

(Motion deemed adopted and bill read the first time.)

Mr. Massé (for the President of the Treasury Board) moved that Bill C-116, 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, be read the second time and referred to committee of the whole.

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

Some hon. members: On division.

(Motion agreed to, bill read the second time and the House went in committee thereon, Mrs. Maheu in the chair.)

[English]

(Clauses 2 and 3 inclusive agreed to.)

[Translation]

On Clause 4

The Deputy Chairperson: Shall clause 4 carry?

[English]

Mr. Williams: Madam Chair, I rise on a point of order. We have debate on this.

• (1925)

The Deputy Chairperson: There is no debate. Standing votes can be taken.

Mr. Williams: Madam Chair, is that a ruling from the Chair, that there is no debate?

The Deputy Chairperson: There is no debate.

[*Translation*]

On Clause 5

The Deputy Chairperson: Shall clause 5 carry?

Some hon. members: Agreed.

(Clause 5 agreed to.)

On Clause 6

The Deputy Chairperson: Shall clause 6 carry?

Some hon. members: Agreed.

(Clause 6 agreed to.)

[*English*]

The Deputy Chairperson: Shall the schedule carry?

Some hon. members: Agreed.

(Schedule agreed to.)

The Deputy Chairperson: Shall clause 1 carry?

Some hon. members: Agreed.

(Clause 1 agreed to.)

The Deputy Chairperson: Shall the preamble carry?

[*Translation*]

Mr. Gauthier: Madam Speaker, I want to ask the President of the Treasury Board whether the bill before the House is identical, in every respect, to those of previous years.

Mr. Gagliano: Madam Speaker, on behalf of the President of the Treasury Board, I would like to give my colleague the assurance that this bill is identical to those passed in previous years.

[*English*]

(Preamble agreed to.)

(Title agreed to.)

(Bill reported.)

Hon. Marcel Massé (for the President of the Treasury Board' Lib.) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Mr. Williams: Madam Speaker, I rise on a point of order. We are passing through the House a bill which is going to spend $2.5 billion and you are telling us there is no opportunity for debate on this bill?

The Acting Speaker (Mrs. Maheu): Yes. There are just deferred divisions and no debate in the plenary session of this bill.

Mr. Milliken: Madam Speaker, the hon. member forgets that under Standing Order 81 supply days are granted to the opposition. We have just had five supply days which finished on Friday. Those were five days of debate on subjects chosen by the opposition on this very bill.

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

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Motion agreed to.)

The Acting Speaker (Mrs. Maheu): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Massé (for the President of the Treasury Board, Lib.) moved that the bill be read the third time and passed.

• (1930)

Mr. Boudria: Madam Speaker, I wonder if there is consent to apply the vote taken on government Motion No. 26, the main motion, to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): There is not unanimous consent.

All those in favour the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

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

Supply

(Division No. 395)

YEAS

Members

Adams	Alcock
Anderson	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Bélair	Bélanger
Bellemare	Bertrand
Bethel	Bevilacqua
Bhaduria	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Caccia
Calder	Campbell
Cannis	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Saint–Maurice)
Clancy	Collenette
Copps	Cowling
DeVillers	Dhaliwal
Discepola	Dromisky
Duhamel	Dupuy
Easter	English
Fewchuk	Finestone
Flis	Fontana
Fry	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gallaway
Gerrard	Godfrey
Goodale	Graham
Gray (Windsor West/Ouest)	Grose
Guarnieri	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jordan	Keyes
Kilger (Stormont—Dundas)	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap–Breton Highlands—Canso)	Lee
Lincoln	Loney
MacDonald	Maclaren
MacLellan (Cape/Cap–Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord–Ouest)
McTeague	McWhinney
Mifflin	Milliken
Mills (Broadview—Greenwood)	Mitchell
Murphy	Murray
Nault	Nunziata
O'Brien	O'Reilly
Ouellet	Pagtakhan
Paradis	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Richardson	Rideout
Ringuette–Maltais	Robillard
Rock	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Simmons
Speller	Steckle
Stewart (Brant)	Stewart (Northumberland)
Telegdi	Terrana
Thalheimer	Tobin
Torsney	Ur
Valeri	Vanclief
Walker	Wappel
Wood	Young
Zed—145	

NAYS

Members

Abbott	Ablonczy
Althouse	Asselin
Axworthy (Saskatoon—Clark's Crossing)	Bachand
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Brown (Calgary Southeast/Sud–Est)
Caron	Chatters
Chrétien (Frontenac)	Crête
Cummins	Dalphond–Guiral
Daviault	de Savoye
Debien	Deshaies
Dubé	Duceppe
Dumas	Epp
Fillion	Forseth
Gagnon (Québec)	Gauthier
Godin	Gouk
Grey (Beaver River)	Grubel
Guay	Guimond
Hanger	Harper (Calgary West/Ouest)
Harper (Simcoe Centre)	Hart
Hayes	Hermanson
Hill (Prince George—Peace River)	Hoeppner
Jacob	Jennings
Johnston	Kerpan
Lalonde	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)	Loubier
Mayfield	Ménard
Mercier	Meredith
Mills (Red Deer)	Morrison
Nunez	Penson
Picard (Drummond)	Ramsay
Riis	Ringma
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Silye	Solberg
Solomon	Speaker
Stinson	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	Williams—86

PAIRED MEMBERS

Bélisle	Blondin–Andrew
Canuel	Culbert
Eggleton	Leroux (Richmond—Wolfe)
Marchand	Minna
Paré	Pomerleau
Regan	St–Laurent
St. Denis	Szabo

• (1935)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the third time and passed.)

* * *

[*Translation*]

EMPLOYMENT INSURANCE ACT

The House resumed consideration of the motion that Bill C–111, an act respecting employment insurance in Canada, be referred to a committee.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion for reference to a committee, before second reading, of Bill C–111, an act respecting employment insurance in Canada.

[*English*]

Mr. Boudria: Madam Speaker, I believe if you were to seek it you would find unanimous consent for the result taken on the previous vote to be applied to the vote 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. 395*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Motion agreed to.)

ADJOURNMENT PROCEEDINGS

• (1940)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

SOCIAL PROGRAMS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Madam Speaker, some time ago I asked the Deputy Prime Minister some questions about health care and post–secondary education social program cuts.

I pointed out that Liberal members were in opposition to similar but not so deep Conservative government cuts, but once they moved to the government side there had been a change of heart. I asked whether or not tearing down the institutions of health care, post–secondary education and social programs was a way of building a unified country. The answer was no, yet the cuts continue.

The reports and analyses we have show that the government's cuts to health care, post–secondary education and social programs are the deepest we have seen in the last 50 years.

The race is on to decentralize the federal government and to slash social spending, so say the slashers, to save Canada. Unfortunately the decentralizers and social program blood–letters may well destroy the country before they save it.

In the wake of the rather narrow no vote in the referendum the government feels compelled to carve up pieces of Ottawa's powers as a show of good faith to Quebec and provincial politicians are champing at the bit for more power.

How can the country achieve unity when the government continues to destroy our safety net? We do not have to be experts to realize that we cannot save Canada if its very foundations are being undermined.

What about the interests of Canadians, particularly the interests of vulnerable Canadians? Lest we forget, social programs helped create a compassionate society and support the robust economy that now seems almost a nostalgic memory. Lest we forget, social programs greatly reduced the glaring inequities between rich and poor Canadians and between have and have not provinces. As we have seen those greater cuts, we have seen the inequities between rich and poor grow larger. Above all, lest we forget, Canada's health care and social system would never have come to be without federal leadership and federal dollars.

Alas, Conservative and Liberal governments have forgotten that between 1984 and 1993 the Mulroney government killed universal old age pensions and family allowances. It also made two deep cuts to unemployment insurance and reduced the social housing budget. The government of the hon. member for Saint–Maurice has continued down the path of cuts and devolution. It has made unprecedented cuts to unemployment insurance and has announced dismantlement of the Canada assistance plan. The government has clearly forgotten the path which took us to unity.

Throughout these changes Canadians have had no say in reshaping their social policy. As a result, allow me to voice the views of millions of Canadians who are trying to remind the government which path to take. Canadians are saying whenever they are asked that social programs played a major role in building Canada's society, economic system and political system over the last 50 years. Canadians are saying that social programs make Canada a distinct society and play an essential part in rebuilding Canada.

Canadians are screaming that we need strong and efficient social programs for a strong economy and a strong Canada. The most effective social policy is an effective economic policy that invests in job creation, community economic development and skills development.

Canada will not achieve unity under the government because it refuses to listen to what Canadians are saying. In the difficult months and years to come, the government must remember how social programs have helped to define the country. Social programs such as unemployment insurance embody the values of a civil society, one in which people care for and care about each other.

Most important, in these unstable political times and insecure economic times it is crucial to remember how much social programs have contributed to Canadian unity. If Canada is to survive, Ottawa must provide courageous and effective leader-

ship along the path to rebuilding Confederation. It must stop slashing social programs.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I was taking notes while the hon. member was speaking. He can rest assured that the government is definitely committed to the principles of medicare.

The member should also understand that the reason we introduced the Canada social and health transfer was that we wanted to provide provinces and Canadians with the type of flexibility for which hundreds of thousands of Canadians called during our consultations on social security review. The hon. member is misguided in saying Canadians were not consulted. We undertook perhaps the most extensive consultation in Canadian history.

• (1945)

The carrying nature of that consultation was shown clearly with the tabling of the new employment insurance bill, which will allow Canadians to get jobs and keep their jobs. It will help the most vulnerable in society in a sustainable fashion; not to mention the great work we are doing on the youth portfolio under the leadership of the Secretary of State for Training and Youth. During hard fiscal times we have increased the expenditures and investment in young people by $43 million to $236 million. We have provided thousands upon thousands of young Canadians with their rightful opportunity to gain the type of skills required for the new economy.

I am glad the hon. member brings to the floor of the House of Commons some deep concerns, but he and his party can rest assured that we are on the side of Canadians, not against them.

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, last November 30, I put a question to the Minister of Citizenship and Immigration concerning the fate of Anatoli Delets and his family, who came to Canada from the former Soviet Union in 1992.

Immigration officials in Montreal are only waiting for the release of Mrs. Delets from the hospital to deport that family to Moldavia. Mrs. Delets is Jewish, and Mr. Delets, who has been held in custody in Montreal for several weeks, is not considered a Moldavian under the citizenship law of that new country.

Where will the minister send them? As is often the case, the minister has shown no compassion towards the Delets family in spite of the difficulties and the significant distress they are suffering. They have no country to go to with two young children.

Where is Canada's humanitarian policy the minister is always boasting about? This family is a typical case, and a very good one, where the minister should use his discretionary powers to grant permanent residency in Canada.

Again I urgently appeal to the minister, in the days before Christmas, to show compassion toward the Delets family. Moreover, the minister should remember that he too left his country to come and settle here.

Another family, the Savas from Romania, is going through difficult times. Since November 17, they have taken refuge in a church in Saint John, New Brunswick.

The Sava family came to Canada four years ago and has integrated very well into Canadian society. Since the youngest of the two children was born in Canada, he is a Canadian citizen.

Mr. Sava is a mechanical engineer. He has just repaired the church steeple; the bells now peal every day for freedom.

I pay tribute to the United Church for its support for the Sava family. The minister should be able to find a way to deal with this case. I hope he will not wait for six months as was the case with Mauricio Romero, a young Salvadorian who took refuge in a Calgary church to avoid deportation to Salvador. I had the opportunity to visit him twice, speak to his family and meet the pastors who were helping him.

Why will the minister not use his discretionary powers right now to grant permanent residency to the Delets and Sava families? Both have been living and working in this country for several years. To deport them now is inhumane.

As immigration critic, I have been made aware of several similar cases. I have noticed that the Canadian refugee policy is more and more aligned on the policy of the United States and certain European countries that, increasingly, are less generous and welcoming to people in distress.

As the international year of tolerance is drawing to a close, I am asking the minister and his officials to show some compassion, especially to the Delets and Sava families.

• (1950)

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I am surprised the hon. member would try to call into question the generous and compassionate immigration system we have.

Perhaps he is doing it for some ulterior political reason, but our immigration system is something we have always taken pride. We have been recognized internationally for our generosity, for our compassion, for our deep understanding of what the immigrant experience is all about.

The government understands also the family's disappointment. There is no question about that. However, in order to maintain a system that is credible and fair we need to absolutely make sure we respect the law.

The family has had the full benefit of Canada's generous refugee determination system. It has been found not to be refugees and must now leave Canada.

There are other options the family can exercise. We understand it has requested removal to another country. The department has no objection to removing it to another country as long as that country is willing to take it and legally admit it.

The other option is for the family to return to Moldova and apply through the normal process.

[*Translation*]

MIDDLE EAST

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, as the member for London—Middlesex, I represent many Canadians of Arab origin who are very proud to be Canadian citizens.

[*English*]

Many of these constituents of mine are very successful small business people in their own right. They were so in the Middle East and they have continued that success here in Canada.

They have met with me a number of times to indicate they feel to an extent they are perhaps being under used as new Canadians in the sense that they have great knowledge and expertise of their former countries in the Middle East; an expertise and a knowledge they are very anxious and prepared to share with the Canadian government and with Canadian business people looking for opportunities for business overseas.

These constituents of mine have made it clear they are extremely pleased and happy that at long last it looks as though the Middle East has entered a new era of peace. There will be a tremendous amount of rebuilding and reconstruction needed, particularly in the area of infrastructure of all types.

It pleases me as a Canadian and as their member of Parliament to hear them speak so highly of the Canadian leadership role in peacekeeping in the Middle East. They are well aware this dates back to Lester B. Pearson and the Suez crisis and his tremendous actions then for which he was awarded the Nobel Peace Prize.

It seems to these friends of mine that somehow Canada is missing an opportunity to capitalize on the tremendous goodwill that exists in the Middle East toward our nation.

What they mean by this is simply that they feel Canada is not being as proactive or aggressive as we might be in pursuing business opportunity which really are enormous in scope. Most Middle Eastern countries would welcome Canadian business with open arms. While we are pursuing such opportunities, many of these friends and constituents of mine feel we need to be more proactive and aggressive.

To that end, there is one interesting idea that has been proposed to me a number of times. It is the establishment of permanent Canadian trade centres in the Middle East.

These people would see such centres as being run and financed by the private sector, by private business with help from the Canadian government in terms of protocol and business contacts, that sort of thing, government to government contacts which the Canadian government could provide.

They certainly see the costs of such trade centres as being shared by Canadian businesses. They point out that such a cost sharing arrangement would be much cheaper than various Canadian businesses year after year sending their own representatives to the Middle East at a greater cost and probably with a less efficient result.

I asked my colleague, the parliamentary secretary, two or three specific questions. Is such an idea feasible? Where has Canada tried such an idea? Does the parliamentary secretary agree that Canada can be more aggressive and proactive in pursuing trade opportunities in the Middle East when these countries are so anxious to welcome Canadian business people?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, I congratulate my colleague from London—Middlesex. He is a hard working and outstanding member of Parliament who has in the past and who continues to truly represent his constituents.

I will first share with my colleague some of the initiatives and some of the things the government has done so far in the Middle East. In January of this year the government opened the embassy in Beirut. Also we have ongoing negotiations for a free trade agreement with Israel and we have approached other countries in the Middle East to have free trade agreements with them. Our support for the private sector is very strong. We are trying to help it explore markets in different parts of the Middle East.

I had the great pleasure of participating in the World Economic Summit in Jordan where in excess of 20 Canadian companies participated. I have also taken a trade mission to the Middle East on a number of occasions. I agree with my colleague that the Middle East is an emerging market that will be the Giant Tiger of Asia in the year 2000 and beyond.

His suggestion for a trade centre is an interesting one. I will be sure to take it to our officials. We have some of the finest people representing us in the Middle East with embassies from one end of the Middle East to the other. We have trade commissioners working extremely hard. At the Department of Foreign Affairs we have a division working day in and day out.

The people in the division responsible for the Middle East and North Africa work 24 hours a day trying to promote trade and help to improve relations between Canada and these parts of the world.

We are delighted to see my colleague take an interest in the area of trade in the region and I would be more than happy to work with him on an ongoing basis.

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 7.55 p.m.)

HOUSE OF COMMONS

Tuesday, December 12, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

COMMITTEES OF THE HOUSE

FINANCE

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, in accordance with its mandate under Standing Order 83(1), the committee on finance is now submitting its interim report to the House.

* * *

TOBACCO PRODUCTS CONTROL ACT

Hon. Jon Gerrard (for the Minister of Health, Lib.) moved for leave to introduce Bill C–117, an act to amend the Tobacco Products Control Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

QUESTIONS ON THE ORDER PAPER

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

ACT RESPECTING CONSTITUTIONAL AMENDMENTS

BILL C–110—MOTION FOR TIME ALLOCATION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move

That in relation to Bill C–110, An Act respecting constitutional amendments, not more than one further sitting day shall be allotted to the consideration of the report stage of the Bill, and one sitting day shall be allotted to the third reading stage of the said Bill; and, 15 minutes before the expiry of the time provided for Government Business on the day allotted to the consideration of the report stage and on the day allotted to the third reading stage of the said Bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the Bill then under consideration shall be put forthwith and successively without further debate or amendment.

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

• (1010)

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

Mr. Epp: Mr. Speaker, on a point of order, is there a quorum?

The Acting Speaker (Mr. Kilger): Yes, there is a quorum.

Call in the members.

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

Government Orders

(Division No. 396)

YEAS

Members

Adams
Anderson
Assad
Augustine
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Bodnar
Boudria
Brushett
Caccia
Campbell
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Collenette
Comuzzi
Cowling
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Grose
Harb
Harvard
Hopkins
Ianno
Irwin
Keyes
Knutson
Lastewka
Lee
Loney
Maclaren
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
Milliken
Minna
Murphy
Nault
O'Brien
Ouellet
Paradis
Patry
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Robillard
Serré
Sheridan
Speller
Stewart (Brant)
Telegdi
Thalheimer
Torsney
Valeri
Verran
Wappel
Whelan
Zed—151

Alcock
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)
Barnes
Bélair
Bellemare
Bethel
Bhaduria
Bonin
Brown (Oakville—Milton)
Bryden
Calder
Cannis
Cauchon
Chan
Clancy
Collins
Copps
Crawford
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Fontana
Gagliano
Gallaway
Godfrey
Gray (Windsor West/Ouest)
Guarnieri
Harper (Churchill)
Hickey
Hubbard
Iftody
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Parrish
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Steckle
Stewart (Northumberland)
Terrana
Tobin
Ur
Vanclief
Walker
Wells
Young

NAYS

Members

Abbott
Althouse
Bachand
Benoit
Blaikie
Breitkreuz (Yorkton—Melville)
Brien
Caron
Chrétien (Frontenac)
Cummins
Daviault
Debien
Dubé
Dumas
Epp
Forseth
Gauthier
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Loubier
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Ménard
Meredith
Nunez
Picard (Drummond)
Riis
Rocheleau
Scott (Skeena)
Solberg
Stinson
Tremblay (Rimouski—Témiscouata)
Venne
Williams —89

Ablonczy
Asselin
Bellehumeur
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast/Sud-Est)
Chatters
Crête
Dalphond-Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Kerpan
Landry
Laurin
Lebel
Leroux (Shefford)
Manning
Mayfield
McLaughlin
Mercier
Mills (Red Deer)
Penson
Ramsay
Ringma
Schmidt
Silye
Speaker
Taylor
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Blondin-Andrew
Canuel
Culbert
Leroux (Richmond—Wolfe)
Marchand
Pomerleau
St. Denis

Bouchard
Copps
LeBlanc (Cape/Cap-Breton Highlands—Canso)
MacAulay
Paré
St-Laurent
Szabo

• (1050)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

BUSINESS OF THE HOUSE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I believe you would find consent for the following motion. I move:

That, notwithstanding any standing order or special order, on Wednesday, December 13, 1995, the end of Government Orders shall be 5.15 p.m.

There have been negotiations among all parties and I believe there would be unanimous consent for that motion.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion. Is there unanimous consent?

Some hon. members: Agreed.

Motion agreed to.

• (1055)

Mrs. Payne: Mr. Speaker, I rise on a point of order. I stood in my place just shortly after the vote. I would like to note that I was unavoidably late for the vote. Had I been here I would have voted with my party.

* * *

CONSTITUTIONAL AMENDMENTS ACT

The House resumed from December 11 consideration of Bill C–110, an act respecting constitutional amendments, as reported (without amendment) from the committee; and Motions Nos. 1 and 2.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I am pleased to speak today on the issue of Quebec's veto over amendments to the Canadian Constitution and why we in this House should finally recognize that reality.

During the referendum campaign many Canadians were concerned about a possible yes vote but recognized the right of Quebecers to determine their own destiny.

Unfortunately, some on the yes side in the campaign characterized this respect of the Quebecois right to self–determination as ambivalence. When the rhetoric about indifference on the part of the rest of Canada escalated, Canadians were pushed into proving their commitment to a united Canada, a commitment I might add, that I never believed to be in question.

This expression is part of a larger package that the Prime Minister has put forward in the form of a resolution. It is a resolution that will recognize Quebec's distinct society. It offers a veto to Quebec as well as to other regions of the country over constitutional amendments and clarifies the roles and responsibilities with respect to labour force training and to the delivery of programs.

The Prime Minister is right to make this commitment and it is timely because Canada is changing. It was changing before the referendum, it was changing during the referendum and it will continue to change. This is natural. We all need to realize that there cannot always be a sense of finality on every issue. A country lives, changes and evolves. This is natural and progressive, if sometimes inconvenient.

In this case it is not wise to look for a specific date when this debate will be resolved. It will not, nor should it be. It is a healthy, modern and necessary progression that will continue over time.

This perspective is markedly different from those of the official opposition and the third party. Their obvious political agenda is to continue to raise the stakes and make demands within confining time frames to advance their own interests at the expense of our country. This disappoints me.

We on this side are driven by a genuine concern for Canada. I believe that it is testimony to our strength as a nation that we can move forward with the determination that we do in the face of these two parties, one that wants out of Canada and one that is ambivalent about our united country.

As part of the larger package, formal recognition of Quebec's distinct society is long overdue. We are expressing a characteristic of Canada that is on the positive side of the ledger as well as a historical fact. Canada is unique internationally in its multicultural nature, historic recognition of our aboriginal underpinnings and of our more recent two founding nations. We also have the capacity to constantly evolve through the different phases of these relationships.

Quebec's right to a veto has long been supported by this party. We have gone even further in offering a similar veto to the Atlantic region, Ontario, the west, and have recently offered a veto to the province of B.C. These regional vetoes are a reflection of this government's commitment to reach a broad consensus on issues concerning the Constitution.

In offering B.C. a veto, the Prime Minister has taken a leadership role in promoting flexibility and accountability in government. Since it was clear that B.C. was feeling misunderstood and unappreciated, the Prime Minister acted quickly and listened to its concerns. This is an important step in our evolution in recognizing this right as a fact just as Quebec's distinct society is a fact.

The leader of the third party on the other hand did not take advantage of an opportunity to propose a veto in committee. He did not even once in the House call for a veto for British Columbia. Those who view the third party as representatives of the west's interests may want to look at this obvious neglect to perhaps recognize that it is the governing party and our caucus that is listening and responding to every region in the country. I would like to congratulate my colleagues from B.C. who effectively represented their constituents and enabled this important amendment to be made to the original proposal.

• (1100)

There are some who say that the government has not gone far enough in passing a resolution. What they fail to point out is the very real impact several resolutions have had in the past, such as the official languages resolution of 1968, the resolution reaffirming linguistic duality in 1973, and the resolution regarding the language of work in the federal public service.

Coming from New Brunswick I am very aware of the impact of all these resolutions, not only on the country but also on how the country operates inside my province. Those that would have us believe that Ottawa is simply throwing Quebec a bone but avoiding dealing with the issue with any degree of seriousness have questionable motives themselves.

Of course the Bloc members will not accept the seriousness of the resolution because in admitting that Canada can work they make themselves redundant. It is all too easy to point a finger at Ottawa for not doing enough when in fact it is offering exactly those changes that Quebec has rightfully sought in the past.

Is the attitude of Bloc members one that really takes Quebec's interest to heart, the interests of all Quebecers regardless of what language they speak? I think we know the answer to that question.

Canada is not made up only of Ottawa and Quebec. In looking beyond Quebec there are a number of different realities that must be reconciled. In the eastern provinces we find loyal strongholds in regions rich with history. In the western provinces we find many new Canadians with rich multicultural influences and traditions. The ability to bring these regions together is the challenge, a challenge to which I am certain we will be able to rise.

For all of those who are narrowly defining regional interests I ask simply: What region will be better off with a fractured country? There is no region in Canada that will benefit from the secession of Quebec. It is obvious which political party will benefit and that is what disappoints me.

This debate must continue. The Prime Minister has opened the door for Canadians to speak to and of their country, not in a highly structured and regimented way but to simply open the door to opportunity much in the same way as the rally did on October 27.

We must recognize that we need to move forward and not become mired in the past. Canada building should be our focus, not tearing Canada apart. This debate is about values, the values of fairness and acceptance that are integral to the successful resolution of the question.

I would like to mention a forum that was held in my riding two Sundays ago. The topic of discussion was Canadian unity. Many individuals took the time to come and express their views on the subject. I want to commend everyone who helped make it happen and mention a few of their suggestions.

The idea of generating more dialogue among Canadians inside and outside Quebec was brought out often, as well as having our educational system teach more about each other's histories and traditions. One individual felt that information is too filtered by the media and by politicians and someone else mentioned the need for everyone to better appreciate our economic interdependence.

I would like to thank the member for Brome—Missisquoi who took the time to visit Fredericton and participate in this public forum. His insights were very useful to the debate and to our understanding. This forum was a logical progression from the rally that was held in Montreal, a rally that was attended by hundreds of constituents from my riding who were willing to drive in a bus for 10 hours each way to express their desire that Quebec stay in Canada.

When I was asked to speak in the House in the first week on this issue I felt that I should hear from my constituents on that weekend first before attempting to express their views. I appreciate their participation and hope I have been able to transmit to the House the level of their commitment to Canada.

Finally, I would like to take a moment to commend the Prime Minister on his integrity and his broad Canadian vision. I am not surprised that he has acted quickly on this issue. I support him fully. I feel more Canadian because we have expressed a reality that makes Canada a great country. It is my great pleasure to support the resolution and I close by paraphrasing Lord Acton: A state which is incompetent to satisfy difference condemns itself. It is not our intention to condemn but to construct.

• (1105)

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the bill before us is one of the steps the government is taking to keep the promises the Prime Minister made at the meeting of the no side in Verdun. The promises were made in the dying moments of the referendum campaign, when, for the previous two years, the government had systematically refused to discuss any constitutional matter.

Only the phenomenal advance of the yes side forced the Prime Minister out of his constitutional lethargy and into giving Quebecers the hope of reform and satisfaction of their traditional claims.

Quebecers, however, are not fooled. Now all of the evidence points to the fact that the Prime Minister's offers were tabled in a mad panic. For example, the last minute press conference. The phoney committee chaired by the Minister of Intergovernmental Affairs had not even finished its deliberations.

The Liberal caucus had not been consulted either, and was put in the picture only after the Prime Minister's press conference. The offers presented are far from having unanimous support from the other provinces. This is a put up job, and a bad one at that, indicating that the Cabinet was beginning to panic about the challenges to the Prime Minister's ability to lead.

Many political figures on the Canadian scene, particularly in Quebec, gave an extremely chilly reception to the proposal for a regional veto, which was probably a great blow to the Liberal government. What explanation can there be for such an uproar of disapproval in response to the Prime Minister's proposals?

While the Meech Lake accord offered all provinces the right of veto over constitutional amendments, particularly those relating to federal institutions, here we have the Prime Minister reheating an old amending formula dating back to the seventies and the Victoria Charter. There is only one tiny change, the percentage of population required for the maritimes. The reactions were more or less the same in all the rest of Canada. English Canada reacted strongly to a proposal dating back to a distant time we were only too pleased to think had been forgotten forever.

First of all, the premiers of the two most populous western provinces voiced strong opposition to this offer. In British Columbia, Mr. Harcourt was not terribly enthusiastic, and a number of academics in the province even suggested the Prime Minister would cause the birth of a separatist movement in British Columbia. To show you how hard it is to grant these veto powers, the Prime Minister immediately turned around and promised British Columbia it would have a veto too. All in less than 24 hours. If you want a veto, the Prime Minister has a

drawer full and will hand them out to anyone who makes a fuss and does not like his proposals.

That is not the kind of veto Quebec had in mind. The same kind of reaction came from Premier Klein of Alberta, who was not at all keen to see Ontario have a veto while three western provinces had to share. He maintained it was unfair to one of the three richest provinces in Canada and a province whose population was increasing at the fastest rate. Need I recall the position taken by the Reform Party, which is opposed to special privileges for any province and in the case of Quebec refuses to recognize anything, not even a symbolic and meaningless distinct society with no legal validity?

• (1110)

In Quebec, reactions were harsh as well. In one of his speeches, the Prime Minister maintained that Quebecers would recognize themselves in his proposals and that these would respond to the aspirations of Quebecers. Obviously we are not talking about the same Quebec.

His comments now and during the referendum indicate that the Prime Minister no longer knows Quebec and that the fact that he has been living in Ottawa for more than 30 years has probably cut him off altogether from what is happening in Quebec.

His proposals were intended to satisfy Quebecers, but he made the serious mistake of wanting to please everyone. By giving everyone half a loaf, he managed to please no one.

Most political parties in Quebec either reacted very negatively or were not satisfied with the proposals or dismissed them out of hand.

When there is a fire in Quebec, the other provinces panic. They show Quebec a whole arsenal of firehoses, telling us we can now feel safe and sound, protected by the other provinces and this array of firehoses. Too bad there was not enough water in the hoses to put out the fire. What we are being offered is not the real thing, but Quebec wants the real thing.

As I said to a colleague yesterday, we want to be recognized as horses, but they recognize us as little ponies. A horse is stronger than a pony. Quebec claims to be that strong and powerful; it does not want to be seen as small, weak and disadvantaged.

Mr. Dumont's Action démocratique also argues that what Quebecers want is not mere motions or bills but real constitutional reforms.

Both the Parti Quebecois and the Bloc Quebecois have rejected the Prime Minister's proposals. Labour indicated that it was too little, too late. As for the very federalist Liberal Party in Quebec, all it had to say was that it was a step forward, but without any great enthusiasm. At a regional council held the day before the Prime Minister came out with his proposals, the Liberal Party in Quebec went much further in its constitutional demands.

The Premier of Quebec, and even Mr. Bourassa before him, would never have agreed to the Prime Minister of Canada's watered down proposals. Beyond partisan politics, however, the media's reaction was the most revealing indication of how the federal government's proposals were received. The editorial writer for *Le Devoir* refutes the federal proposals, arguing that enshrining this veto power in an act of Parliament would not really give Quebec its veto back.

Quebec would not really get its veto back because although its veto was recognized by tradition, the Supreme Court stated that Quebec never had a legal veto. This editorial writer points out that any government could very well revoke this act. Reform would probably make it a point of honour to do so upon taking office. The most telling comments in the newspapers, however, are in *La Presse*, whose chief editorial writer, Alain Dubuc, who is well–known for his pro–federalist positions, wrote that Quebecers want much more than that. He added that, as long as these principles are guaranteed by legislation, all it would take for Quebec to lose its guarantees is a shift in policies or a change of government. The Prime Minister's proposals are held up to ridicule from all sides and considered as plainly unacceptable, both by English Canada and by Quebec.

• (1115)

To conclude, I would like to add that the main problem with this bill is its very essence; after all, it is just a bill. As long as all the provinces do not agree on its principle, it will remain just a bill.

This simple bill has the same force in law as any other bill, which means that it can be repealed by any government, as it sees fit. That is its weakness and that is what we condemn.

[*English*]

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, I am honoured to speak on this issue. I should like to share my vision of Canada with members opposite, the Canada that I dreamed of as a 10–year old boy in Croatia.

I dreamed about Canada. It was a huge country. I dreamed about Canada when I asked my parents whether there was anything for breakfast. Today as a parent I am asking my children what they want for breakfast.

My dreams became a reality in 1968 when I arrived in Canada. I was by myself and not even 19 years old. The question is why Canada. I cannot answer that question. However today I know that I made the right choice. I had the chance to go to Australia or New Zealand or to stay in Croatia. However I chose to come here. Three years later when I became a Canadian citizen I was the luckiest person on the planet.

I did not know about the differences within Canadian society until I arrived in Canada and I found out about English speaking Canada and French speaking Canada. That was great. There are Canadians in the middle, Canadians like myself, who came to

build this great country. We cannot ignore that they built it and they made it the best country on the planet.

We do not know how to appreciate that. Sometimes I ask myself what is wrong with us. When we return from travelling abroad and seeing how other people live and how much they have, we really appreciate what we have here and what we are.

October 27 was a historic date for Canada. We gathered in Montreal and told Quebecers that we loved them. The Prime Minister made a commitment which I fully support. It is not just to recognize Quebec as a distinct society. It also recognizes the historical fact that French people in Canada are different. It is not that they are better or worse than anybody else, but that they are different. They have a different language and a different culture. That is great and we have to respect and admire that. We have to tolerate that if we want to be a strong, united Canada.

• (1120)

On October 27 I took my eight–year old son along with 250 constituents from Cambridge to Montreal. He was a part of that historic day. He was proud to be part of that historic day, the beginning of a new Canada. Today he is learning French in school. He will probably share some time in Quebec with his eight and nine–year old colleagues in the near future.

Unfortunately maybe we do not know each other very well. It is about time that we took the effort to know each other, to get to know Canadians from British Columbia, Newfoundland, Prince Edward Island, Ontario, Quebec, Saskatchewan and the Northwest Territories. It is about time we knew about our unique Canadian culture to which many newcomers and I contribute.

By giving this recognition to French people in Canada, I am convinced that Canada will survive. We are facing difficulties today, but it is not the end. It is evident that we have to solve the problem today and continue building a stronger and better Canada for our children and grandchildren.

I urge members from all three sides to work together to make Canada even better, to put our differences aside and work together to build a unique and stronger Canada. We can accomplish that, so help us God.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C–110. As we all know, the bill was designed to give a veto to the province of Quebec over the Canadian Constitution.

We thought at one time that we had dealt with the issue during Meech Lake and the Charlottetown accords when we gave all Canadians a say in the matter. Lo and behold Canadians said: "No, we don't accept what politicians have done. We are staying with the way it is". Here we are today after a referendum and the Liberals are right back at it again, on the top down approach.

The bill also gives a veto to B.C., the prairies, Ontario and the Atlantic provinces. B.C. was not included originally. Six B.C. Liberals would like to say they had some influence on the acknowledgement of British Columbia as a separate region, so to speak, because of its position in the federation. They would like to take credit for that, but the fact is we are back to the way it has always been. They do what they are told over there. They had little or no influence. The party said: "You will" and they did. They did nothing.

• (1125)

It was the outrage of people in British Columbia and across the country who said: "What are you doing with four regions as opposed to five?" The government changed its mind. The problem is that the government is still talking about the governments of the regions and not the people of the regions. I do not believe that will ever get through to the government, ever, until the government is replaced by a populist party and not a party that works from the top down.

Let us make no mistake. This is once again an act of appeasement to separatists in Quebec. Over the years we have been giving the country away piece by piece. Every time the separatists squawk this government overreacts, as did and the government before it.

Let us look at why we are in this mess in the first place. Over all these years we have had some issues to deal with such as the finances of the country. The Liberal targets at best are weak. Their economic fiscal management, as well as that of the previous government, is a disgrace.

At least the province of Quebec is open enough to say: "Look, if you can't get your act in gear we are going to leave". Other people are saying: "If you can't get your act together, we are going to stay and try to fight it".

Let us look at the battle against crime. The Liberal government still does not understand how bad it is out there. It is still doing a messy, pathetic job at fighting crime in the country. We have one separatist province saying: "We don't like the way you are doing that either, so we want out". Whose fault is it that we have this spoiled child of separatism sitting here? It is the governments that have done very little to help the country since the current Prime Minister was finance minister.

Today the government still appoints its friends and hacks to the Senate. It is still ripping off Canadians with an MP's pension. It voted out recall. All these issues are part of the problem in the country today. They are rubbing everybody the wrong way, from the east coast to the west coast.

What did the Liberals come up with? They came up with a veto power in the Constitution. They said that it was the best a Liberal majority government could do in the country. That is very sad indeed.

When the Bloc appeared for the first time in the last election in 1993, what happened? How did the Liberal government deal with it? First it agreed to official opposition status. That was the first mistake. It has been dealing with that problem since we have been here. It is not dealing with all the problems across the country. It is only dealing in self–interest.

The referendum came along. We saw a Liberal government with no vision. Its members were stumbling and bumbling through a referendum until in the dying days when it looked like they were going to lose it and they threw out a few carrots. That is a heck of a way to run a country. Now we see the government shelling out veto powers, not to the people but to the governments of the provinces within those regions.

Why do we give vetoes in any event? To my knowledge no democratic country in the world provides vetoes on constitutional issues to a body, particularly to a provincial body that just happens to be a separatist government.

• (1130)

What exactly does the government think it will achieve by doing that? It has not thought about it. It is another knee–jerk reaction to a group of separatists in the House.

Coming from British Columbia, having lived there, with my riding being there, I can see the time is coming when British Columbia needs a very forceful government.

We in the House had better understand why that will be necessary. It seems the only way we can improve a federation is to threaten these guys. That seems to be the game. The separatists show up and give a little more. The separatists speak out and the government gives a little more, piece by piece. They are never happy. What happened last night when distinct society came up in a motion to vote on? They voted against it. That is because they have not been given enough. When they are given enough, it will very likely be too late.

An hon. member: Sovereignty.

Mr. White (Fraser Valley West): A member says sovereignty. They are really saying separation.

At what point is the government prepared to draw a line and say enough is enough? It proposes there is no point and there is no line; just keep shelling and giving until there is no more to give. That is not a plan. That is acquiescence.

How do the people in my riding feel? If one has a spoiled child, how does one deal with it? A lot of people would say if one has a spoiled child perhaps one has parents who are not running it right.

Here we have governments that do not run it right. That is the problem. We have a Prime Minister and a cabinet with many members from Quebec. There is a conflict of interest when they sit behind closed doors and make deals about the province they are from.

People in my riding say draw a line, tell these people where the line is. They say not to give a veto to governments. If they have to give a veto, if they will make that decision anyway, give it to the people, not to governments, particularly not to a separatist government.

We have to say in the House and throughout this land to give these people the facts. Draw the line in the sand somewhere so they know what can be given and what cannot be given, not this year after year of saying more for you, more for you, at the alienation of every other province.

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, I understand I have only 10 minutes, unfortunately. I wish I had an hour to respond to the remarks I just listened to very quietly, as difficult as that was.

I heard so much fiction from the member for Fraser Valley West, so many dangerous interpretations of our history and society that I feel compelled to respond to at least a few of them.

• (1135)

The hon. member and members of the third party are repeatedly saying that in the veto bill the federal government is giving the separatists a veto. That is patently nonsense.

Mr. White (Frazer Valley West): What do you think it is?

Mr. O'Brien: I listened very carefully to the member for Fraser Valley West without interrupting him. I would appreciate if he would do the same for me, as that is the nature of democratic debate in the House. We can disagree without interrupting each other as we speak.

The current Government of Quebec unfortunately is a separatist government. We all know that. We do not need to be rocket scientists to know that. However, the mistake made by the hon. members opposite is they assume we will have a separatist government forever in Quebec. That is ridiculous. All we have to do is review the history of the province of Quebec to know there have been very few years when a separatist was in power.

The bill proposes to give to the province of Quebec, as it does to the governments of four other regions, a veto power. It is not to the people or to the separatist Government of Quebec in a sense that it will be there ad infinitum.

The hon. member mentioned that the six Liberal MPs in B.C. like to say they have influenced the government's change of mind in recognizing B.C. as a region. I think my colleagues did have an influence in that change of decision. One thing I do know for sure is the Reform Party certainly had no influence in changing the mind of the government in giving B.C. a regional veto.

The ignorance of Quebec and the situation in Canada in terms of our veto power from some members opposite is unbelievable. As a Canadian and someone who taught Canadian history, the degree of ignorance, even by certain members of the House, about our history alarms me.

Where did this idea of veto power for four regions come from? Was it dreamed up out of thin air? It was not dreamed up out of thin air. In the early 1970s at a conference in Victoria a decision was made to give veto powers to four regions in the country. That Victoria formula was endorsed by all 10 premiers of all 10 provinces, including the province of British Columbia at that time, as well as by the Government of Canada.

It is ignorance of Canadian history to suggest that somehow the government and the Prime Minister have dreamed up this plan. It is based in fact and it is based in history. The lack of knowledge of Canadian history by some members in the House is appalling.

My colleague from Fraser Valley West said no democratic government in the world provides a veto. I am almost quoting him directly.

Mr. White (Fraser Valley West): That is right.

Mr. O'Brien: He is now saying that is right. I am sorry to see him lead with his chin like that. Let me introduce him to a nation to the south called the United States of America in which one democratically elected person, the president, has a veto power.

Mr. White (Fraser Valley West): That is not a state.

Mr. O'Brien: The last time I checked, I thought the United States of America was a state. I thought it was a democracy. I thought the President of the United States had a veto power. I invite the hon. member for Fraser Valley West to enrol in some basic courses in political science and Canadian history. I would be very happy to recommend some for him.

The United States of America empowers one person, its democratically elected president, with the right to veto legislation. It is incredible for me to hear an elected member in the House say that no democratic government in the world has a veto power. I will put it down to a bad day for my colleague from Fraser Valley West.

• (1140)

The last point I will address from the hon. member is the characterization of Quebec as a spoiled child. The attitude that somehow Quebec is a spoiled child, to generalize and make the blatant characterization of Quebec as a spoiled child on the basis that 30 per cent of the people are separatists, is part of the problem we have. It is ignorance of the real demographics in Quebec. It is ignorance of what the people in Quebec really believe. It is a dangerous generalization that the most basic student of history is taught not to make. Because 30 per cent of the people of Quebec are very hard core separatists, we should not be foolish enough to characterize the people of Quebec as spoiled children.

What makes that all the more dangerous is that the people applauding the loudest secretly when members like the member for Fraser Valley West make these blatant generalizations are the separatists. Every time a member in the House of Commons spews that kind of logic, every time a Canadian anywhere in Canada makes that kind of ridiculous comment, it only advances the cause of separatism in Quebec. It only makes the job of the Bouchards and the Parizeaus easier in Quebec.

It is a pity we have elected members saying that. I know the member for Fraser Valley West does not like to hear these truths and that is why he interrupts me, even though I did not interrupt him when he made these comments. That is okay. I will debate him now on the point that he does not have his basic facts correct. I will debate him here on the point that he does not have his basic facts of Canadian history straight. I will debate him anywhere he chooses. He does not have the facts of Canadian history, the history of this veto power, or the knowledge that the United States has a veto power.

I am shocked. I am disappointed. Most dramatically, I am alarmed that an elected member would come into the House of Commons and make the kind of statements, the twisting of facts, and display the ignorance I have heard.

I say these things in kindness. I offer them as constructive criticism. I think we can help the member for Fraser Valley West to learn more Canadian history if he has an open mind. That is the problem. One wonders if the attitudes are not so ingrained in some members of the House, if they do not bring the kind of attitudes and the lack of knowledge of Canadian history in such a visceral way into the House that perhaps they are not willing to listen to facts, not willing to learn some Canadian history and not willing to change.

An hon. member: What do you know about the west?

Mr. O'Brien: I have been in western Canada many times. I have an uncle in Quesnel, B.C. I have an aunt in New Westminster, B.C. I converse with them frequently. I know their views on this situation as people living in British Columbia now.

There is some knowledge of western Canada on this side of the House. All wisdom, all logic, all knowledge and all defence of western Canada, thank goodness, do not rest with the party opposite.

• (1145)

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, I welcome this opportunity to speak after the hon. member for Fraser Valley West to set the record straight. The hon. member does not seem to understand a thing about what is happening in Quebec right now when he describes the province as a spoiled child. All that we in Quebec are asking is merely for Quebec to be sovereign. We are asking nothing of him and, if he just agreed

to Quebec's sovereignty, he would have nothing to do with us any more.

I am also pleased to speak here today on Bill C–110, an act respecting constitutional amendments, to establish a regional veto so that no constitutional change can be made without the consent of all Canadians, according to this government.

Is the government for real? No. And the same way I voted against the distinct society motion yesterday evening, I will vote against this bill out of pride and respect for the people of my riding and of Quebec as a whole.

How can Quebec be recognized as a distinct society through a motion that is binding on the federal government but not on all of the provinces, a motion that may be overturned by a new government? And how can the government at the same time introduce a bill establishing a regional veto that is the same for every province? Only our Prime Minister can do such somersaults.

This only meets the election minded expectations of the Liberal Party of Canada. These projects are meaningless; they are a smoke screen and they also show a lack of respect for Quebecers. This government never gave a better illustration of how panic–stricken it is, which explains why it is totally improvising. After saying loud and clear before the referendum that it was not going to talk about the Constitution, the government started alluding to changes one week before the referendum. Then, after a narrow victory, it tabled a motion on the distinct society, followed by a bill on regional vetoes.

After dragging its feet for two years, the government introduces a UI reform which clearly shows that it intends to bypass the provinces, regardless of their distinct nature, and not give them an opportunity to be heard. Then it tells us that we must refer to a Canadian, not Quebec, culture. Finally, the federal government reconsiders its decision and gives British Columbia the status of region, for the purpose of its Bill C–110.

In the meantime, a phoney committee is on standby, waiting for the government to stop its antics and give it a mandate. This is mind boggling. I would be hard pressed to show the logic in all this. The government acts like a chicken running in all directions with its head cut off, trying to save its broken eggs. It does not even realize that it came very close to losing Quebec. Will the government finally realize that, in spite of all its foolish attempts, it clearly shows that it will never be able to come up with a constitutional reform project that meets the expectations of Quebec, as well as those of the rest of Canada?

We are two peoples in Canada, but one country is missing. A worthwhile and possible undertaking would be to accept that we are a people and that Quebec is a country. The Prime Minister told us here in this House just recently that he was most anxious to see the Bloc members vote against his motion on Quebec as a distinct society, against Bill C–110 and against unemployment insurance reform. I would like to tell him that the people in my riding are equally anxious, but not for the same reasons.

The 58 per cent who voted to elect me in October 1993, and the 58.3 per cent who voted in the October 30, 1995 referendum, asked me to attend the House on Monday, although that is the day I am usually in my riding office. They wanted me to be here to vote against this ridiculously out of date project. It is a matter of too little, too late. The 49.4 per cent of Quebecers who voted in favour of Quebec sovereignty in this referendum were voting for the right to pass our own laws, to collect our own taxes, to sign our own treaties.

• (1150)

They do not want a bill aimed at making it impossible for any government, including the Government of Quebec, to change the Canadian Constitution.

The Minister of Justice has stated, and I quote: "True, this resolution will satisfy neither the Parti Quebecois nor the Bloc Quebecois. As we know, sadly, nothing short of breaking up this country would satisfy them". What a wonderful red herring to push through a bill that will make any in depth changes to the Constitution impossible until the end of time. Canada does not need the Parti Quebecois or the Bloc Quebecois to break itself apart, the Prime Minister and his centralist federalism are doing well enough on their own. Unfortunately, they do not realize this.

On Friday, December 8, a SOM–La Presse poll reported that Quebecers are not satisfied with the Chrétien government's proposals. A meagre 31 per cent of Quebecers now admits to having supported the federalist option. Furthermore, no sooner was the bill tabled than the Minister of Justice made an about–face and agreed to the concept of a fifth region to satisfy British Columbia, which proves this government is playing it strictly by ear.

The minister asked us to trust him, saying it was hard to imagine how the government would support a constitutional amendment that did not have the support of all regions. In other words, the federal government should not support a constitutional amendment unless all regions agree. The minister has a poor memory. He must have forgotten the lesson we learned in 1992. The minister ought to know that once bitten, twice shy.

Remember when in 1982, the Canadian Liberal government patriated the Constitution and amended it and adjusted it in the image of English Canada, without the consent of Quebec. What may seem immoral to the present Minister of Justice did not

seem so to the then justice minister in 1982, who is now the Prime Minister. All things considered, we are not inclined to trust the cat who tells mousie he loves her dearly, but well done, with stuffing à la Clyde Wells.

This is not about giving Quebec a veto, let us be clear about that. What we have here is a cosmetic exercise that gives a pseudo–veto to four, five or six regions unilaterally identified by the federal government. These regions are both distinct and equal, as far as I can see. The government probably thinks it has found a way to give the impression it is giving Quebec what Quebecers want, while giving the other regions in Canada the impression this does not mean a thing. Not surprisingly, the rest of Canada is not any more pleased than Quebec with this sleight of hand. This extra–constitutional exercise is only an exercise in wishful thinking.

After the first constitutional veto, requiring unanimous consent on any change in the responsibilities of the Queen, the governor general or the Senate, came the veto on amendments involving one or more provinces, such as to borders, then came the veto on general amendments—the rule of seven and fifty: 7 provinces and 50 per cent of the population—and now we have the so–called regional veto, the criteria to be determined by the government, such as: a resolution by a legislative assembly, an order in council, a notice signed by the provincial premier, a notice signed by a provincial lieutenant governor, a provincial referendum organized by a province, a federal referendum in one or a number of provinces or a vote by federal members of Parliament from the province in question.

With such a collection of distinct criteria, the federal government has any number of ways to go over the heads of the provinces.

The last piece the government needed to never again change the Constitution has just been tabled in the House, and all those who voted no believing in the fine promises of the Prime Minister to amend the Constitution to meet Quebec's requirements are, today, in mourning. On their behalf, I will vote against this bill.

I must, nevertheless, in closing, thank the Prime Minister for the 10 per cent of electors we lacked to achieve Quebec's sovereignty. With this sort of understanding of Quebec, the next referendum will be the winner.

• (1155)

[*English*]

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, on November 27 the Prime Minister introduced three initiatives for change in how government works in Canada. It is important to remember that these changes are not constitutional changes in themselves. Rather these initiatives respond to how Canadians want their government to respond to the realities of Canada in the 1990s.

Canadians want the government to move forward, to respect the needs of our people, to make government more accessible. In the wake of the Quebec referendum, Canadians expected the federal government to make good on its commitments to maintain a unified country.

Canadians recognize the need for governments to remain focused on the issues of importance; issues such as employment creation, consumer and investor confidence, government spending and control.

Canadians also recognize that initiatives on distinct society, regional veto and manpower training will permit the government to fulfil its obligations to Canadians without allowing the country's agenda to be hijacked by those who wish to further their own personal agenda of destroying rather than building our country.

These unity incentives are a very important first step. These initiatives are also an effective way of dealing with the concerns of Canadians and of building partnerships with all regions of Canada, while at the same time not reopening the whole constitutional debate.

The proposed actions are consistent with what Canadians want and are the most expeditious way of achieving those goals. For many of us, both inside and outside government, constitutional discussions gave rise to concerns of lengthy, protracted debate without meaningful resolution.

Bill C–110, the act respecting constitutional amendments, does not raise these concerns. Evidence of this can easily be found in how government reacted to the issue of regional vetoes. By responding quickly to the concerns of B.C., the government has modified its regional veto to include British Columbia as a separate regional veto. This action flows directly from the commitment to listen to people and to introduce actions that bring people from all regions together.

The act, in its present form, would require the consent of Ontario, Quebec, British Columbia, the Atlantic and the prairie regions before any constitutional amendment can be proposed in Parliament by the Canadian government. This is, in effect, a guarantee that each of these five regions will have a general veto in areas where they do not already have a specific veto. This authority, simply put, will allow any one of the five regions to stop an amendment from the outset.

This bill keeps a commitment to all Canadians for increased protection within the Canadian federation and it recognizes the Constitution and its amending process is of interest to all parts of the country. By recognizing a regional veto for the province of British Columbia, the government is recognizing the existence of a uniquely Canadian west coast situation.

British Columbia, with its size, population, location and economic development, constitutes a region of interest that requires its own recognition on regional issues. By extending this regional veto power to British Columbia, the government is reaching out to Canadians, acknowledging the variously unique-

ly Canadian situations and bringing us closer together by helping this part of Canada survive and strengthen its loyalties.

In a recent Regina editorial, the unity initiative was referred to as having solid potential and the Prime Minister's olive branch to Quebec could do what eight years of constitutional debate did not. This is an indication that the prairie provinces recognize the importance of a federal government that actively pursues addressing the regional interests of Canadians. The inclusion of B.C. in a veto power builds on an initiative and a decisive act that can be a valuable component of nation building.

In the same editorial, the Prime Minister's actions were described as swift and bold in the government's accommodation of Quebec. These are again descriptions that could justifiably be used to describe the government's movement to address the B.C. situation.

• (1200)

The unity initiative promoted by the government is much more simple than the Charlottetown accord of 1992. Today's bill is much more concise and limited in its scope, yet it moves to achieve certain goals that have been sought by regions. Even in Quebec, sovereignists like Mario Dumont believe that this is a new, much simpler proposal and should be judged on its own merits.

Before the proposed veto change for B.C., a Vancouver editorial commented on the Prime Minister's unity package by saying: "It is an offer of tangible, substantive change that even Bouchard will find hard to discredit". Now that the B.C. veto is being promoted in this package, one can only assume that certain of those reservations have now been looked upon and completed with B.C. coming into the union with a veto.

In Edmonton an editorial comment suggested that the Prime Minister "did all he could within the powers of his government" in reference to Quebec's uniqueness and the veto rights. Yet it was this government that once again rose to the occasion by finding a way to enhance western Canada's position, not at the expense of others, but in recognition of British Columbia.

One can easily detect the concerns and desires of our Canadian regions. If one listens and acts in a comprehensive way, the same regions will recognize that efforts are for the benefit of the whole and do not jeopardize or favour the position of one region over another. Simply put, the veto proposal and the added recognition of British Columbia says to the provinces that no constitutional change will occur if regions oppose. This is more than any province has today and the inclusion of B.C. as a separate veto does nothing to favour one over another.

The Edmonton *Journal* noted: "Albertans cannot have something for nothing. Life, as we know it, would not end if Alberta lost the provincial veto it never had".

Many Canadians recognize that unity initiatives are probably about as far as government can reasonably go in the political climate of the 1990s. It is the recognition of the desires of Canadians and a response to the same within the context of Canadian society and will be acceptable by law. It will also give Canadians a chance to view the Constitution before any changes occur.

The proposals for a regional veto try as best as possible to acknowledge that the country has great variation of population densities. It would be much easier to divide the geographical area without the need to regard the population of the regions of the country. But this is not possible in Canada. What is possible is to pursue and find a compromise that will address the regional concerns within the context of national programs. The regional veto is a logical attempt to balance the will of our regions and its populations.

In central Canada editorial opinion suggests that the regional veto is a move that recognizes the reality of the country and its population. It is the recognition of what Canada is and what we stand for and how best the government can deliver these services is the driving force for change. It is not the government proposing change for the sake of change, but rather change for the sake of addressing concerns of Canadians.

There was also an observation in a central Canada newspaper that the unity proposals allowed us to test drive the concepts of them without enshrining them in our Constitution. Perhaps this is the most telling observation of Canadian society. We are a people that do need to be prepared to accept change. We must accept change, not one region over another, not with the idea of the contempt of change, but we must make certain that our drive forward is to unify the country, what we can do to help Canada and Canadians survive in this ever changing society.

• (1205)

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, I will start by telling the House why I ran for office. Why did I want to come to this place? To sum it up I would say it was because I could add something to this country. I believe in this country. I have travelled extensively and I know what people think of this country.

What is wrong with the country? I thought there was a lack of equality. The political system was one where the message came from Ottawa back to the ridings and the parties were too strong. I was mad because of the GST, because of the national energy program. I was mad at the arrogance of government. I looked at it and thought that this was a very centralist place. In the past as I

have mentioned the national energy program and the GST were forced on people by Ottawa.

I look at this Parliament and I do not see that much has changed. I see employment equity being forced down people's throats when others are getting rid of it. I see gun control being forced on people without any attempt to change any of the clauses. There was the Quebec referendum where we were told to be happy, that everything was fine and it was not.

Now there is this unity package and I see closure. Closure is the ugliest thing that can happen in this place. People are disenfranchised and are not allowed to speak for their constituents.

Canadians are saying: "We need jobs. We need tax reform. We need somebody to deal with the criminal justice system. We need the reform of Parliament itself. We need more free votes. We need to know that our MPs can stand up for what we believe".

Now we get this veto package, which totally lacks a vision for Canada. This is supposed to be a unity package. It is anything but. It is anything but creating the equality that we all believe in. We all want change and this package does anything but allow us to ever have any future change.

We now will need something in the neighbourhood of 92 per cent of Canadians in order to get any change by a package like this. Our hope of free votes, our hope of getting rid of that other place are gone now. It does anything but provide any kind of unity for the country.

We look at the government listening to the people. The PCs did not listen during the GST. They did not listen during Charlottetown. We saw what happened to them in 1993. We now have a government that seems to be following the same pattern.

I look to an example of a week ago in Edmonton where the member from Edmonton East had a meeting. Seventeen people went to listen to the unity package of the Prime Minister while across town 800 people were telling us exactly what they thought of that unity package.

In my riding I have completed a survey that went out last Thursday. So far we are into the hundreds of returns and 87 per cent are saying not to give special status or the veto to anybody. That is 87 per cent of the people who answered that question.

The people of the west and the people of Canada are mad. Yesterday, Mr. Klein dropped out of Team Canada. Is that building unity? Listen to the message. The government is losing the country. This centralist top down government will lose the country. Even the national polls show that 53 per cent of Quebecers are unhappy with this package as are 58 per cent of the rest of Canada.

Only 23 per cent of Quebecers think this package is worth anything. It is just a rehash of Meech Lake and Charlottetown. They did not get the message last time and now they are going to wait until 1997–98 to get that message. We will never get rid of that Senate.

There are 105 people who came here because their constituents demanded change. The separatists want a different approach than we do but they are asking for change. Not one province is not asking for change. This government has no vision. It is into this centralist philosophy of government.

We need some strong leadership to face Mr. Bouchard, a very credible leader. We do not have it.

• (1210)

We no longer have an amending formula. We have a veto formula drawn up by a centralist government. The veto is not fair, it is not equitable and it was done without the consultation of the people.

How would we get out of this problem? Our Prime Minister had the obvious opportunity to get out of it by giving the veto to the people. Give it to all of the people. Do not put in the hands of the separatists. Do not put it in the hands of provincial politicians. Put it in the hands of the people. We can trust the people. They have shown they are involved and will be involved.

The people have spoken. They spoke in Charlottetown. They spoke in 1993. Of course the people spoke to the referendum. It was not the politicians that helped the yes side catch up, it was the people. Everybody, even on the other side, agrees to that.

We need to show some leadership. We need to show some terms and conditions. What does it mean if a province wants to separate? Tell it. Put it straight. The people will understand it. It is the politicians who want to manipulate it. Talk about what land goes with separation. Talk about the language and the culture, the debt sharing, the citizenship. Talk about all of those things, including the protection of minorities, but talk about it. Talk about it with the people.

We need a vision. We need to fight that separatist dream with a vision. We need to fight deception and untruths with truth and facts. That is what this vision is all about. We need to develop a vision and a passion for Canada. That is what we need.

Many of us felt that in 1967 when we went to Expo in Montreal. There was passion there. We felt passion during the Olympics in Calgary. We felt passion whenever we travelled. Last year my constituency hosted the World Junior Hockey Championship and there was passion and feeling for what it was to be Canadian. We were proud of our Canadian kids who won that championship and who demonstrated what it was like to be Canadian.

Do not whine and cry. Plan a vision. Get a vision for the country. Show that we are listening to the people. This country is worth saving. I implore the Prime Minister to get out of the past, do what is right for Canada. Involve the people. Abandon the centralist governments of the past which did not work. They will never work.

It will destroy this country if we keep following this path. Continuing on this course will truly mean the Prime Minister will go down in history as the Prime Minister who destroyed the country. We must change that.

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, I too will begin by speaking about why I am in this House.

My sense of this country and therefore my mission as a member of Parliament comes from two main things. First, my father was an immigrant. I do not remember when I first heard how lucky I was to be a Canadian, how lucky I was to live in this wonderful country, to have this as my home and as my future. Having come from Europe my father was very much aware of what a wonderful future this nation has.

The second reason that gives me a sense of why I am here, of what my purpose is and what this country is all about I owe to a grade five teacher whose name I have even forgotten. I was 10 years old and I learned about this country from coast to coast from that teacher. I learned about the Rockies, the west coast, the east coast and the north. I also learned about the voyageurs who had opened up this continent for us. They had travelled on rivers and through mountain ranges nobody had ever travelled before, except our aboriginal peoples. From that I have such a strong sense of the importance of the two founding peoples of this country. Without the French settlers and explorers who came to the country we would not have what we have today.

• (1215)

An hon. member: We would have something far better.

Ms. Catterall: A member opposite says that we would have something far better. I could not disagree with him more. To deny the contribution of the people who came to the continent from France, who had the courage, as Champlain did, to last an entire winter at Annapolis and to continue up the St. Lawrence and the Ottawa rivers into the heartland of the continent, is a denial of what the country is all about.

The country was built by consent and consensus, not by force and not by dominance. The three measures now before the House to reinforce national unity continue the marvellous tradition of moving ahead together by consent and by consensus, not by one exercising power over another.

As we came together as a Canadian family at each stage we made special provisions for newcomers to the family and recognized their special needs. Whether it was the size of Prince Edward Island and the assurances it needed with respect to its representation in Parliament, whether it was British Columbia with its need for the recognition of a railway to link it to the east, we have always made special provisions. We respected the fact that we were creating a family.

That sense of family took a thousand people from my riding and tens of thousands from all over the country to Montreal on October 27. The hon. member is absolutely right: politicians could not have created that tremendous outpouring of goodwill and love for our country and commitment to keeping Quebec within Canada. However politicians could make it possible, as many of us did, for the people we represent to have the means of expressing that sentiment.

[*Translation*]

In the last week of the referendum campaign, the Prime Minister of Canada promised Quebecers that Quebec would be recognized as a distinct society within Canada, that no constitutional changes affecting Quebec would be made without their consent, and that changes would be initiated to bring citizens closer to services and to decision making.

[*English*]

It may be unusual for the Reform Party to see in place a government and a Prime Minister that keep their commitments. Just as we did in the 1993 election when we put forward very clearly our commitments to Canadians and our intention to keep them, in the last two weeks we have been doing exactly what the Prime Minister committed to do.

We are not trying to pacify, appease or please the separatists or gain their consent for what we are doing. We know they will not consent to anything that will unify and strengthen the country. We certainly are trying to speak to Canadians across Canada who want to see change, who want to see us moving forward together and not as the western separatists or the Quebec separatists want.

With the recognition of a veto for each of the regions of the country, we are saying that if we are to change the relationship that binds us together we will have to work at building a consensus around it. We cannot have parts of the country imposing their will on other parts of the country. That is not easy to do, but it is important that as we move forward we do it with consensus as we have done to this point in our history.

• (1220)

People have been concerned about distinct society and what it recognizes. First I will talk about the meaning of the word distinct. It does not, as some would have us believe, mean special, better, superior in some way or deserving of special treatment. It means different.

If there is one person in the Chamber who does not feel a great pride or does not accept that Quebec, with its majority French language, its unique culture and its law system that is different

from that of the rest of the country, constitutes a part of Canada that is different and by its very difference enriches the whole country, I am not sure he or she understands what the country is all about.

Concern has been expressed about how this might affect our attitude to people of different ethnic cultures, backgrounds and origins. I say to them the respect for diversity of the country is found in the original agreement that created the country, that we would respect each other's differences and each other's languages. Without the initial bargain of Confederation we would not have a country that is now a model for the world of how people of different cultures, backgrounds and languages can live together as one while respecting each other's uniqueness.

For the House to simply say we recognize the distinct nature of Quebec within the Canadian family and we undertake to respect that distinctness as we move forward with the business of the nation is not a threat to anybody. It is a reassurance to people who badly need to know that the rest of the country does value and does not intend to try to dominate, demean or diminish the special society that has been built in Quebec. Nor does it diminish our commitment as a federal government or our obligations of fiduciary responsibility for aboriginal peoples everywhere in the country inside and outside Quebec.

I will speak about the veto briefly. Perhaps there are some who feel that the majority simply by its numbers should be able to dominate and have its way. I am not one of those. I believe we can continue to solve our problems and our differences and to change and grow in the future by agreeing together as we have always done in the past.

I am proud to support the changes that have been brought forward. I am proud to look forward to a future for my children in a united Canada.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): As you know, Mr. Speaker, yesterday the House of Commons passed a motion recognizing Quebec as a distinct society. For us in the Bloc Quebecois, this motion was pointless because it was insufficient. Why? Because it does not recognize Quebec's special status and does not actually grant that province any additional powers.

Today we are debating Bill C–110 dealing with constitutional amendments. This bill would give certain provinces a say concerning the federal veto over constitutional amendments.

There have been many speeches so far, and I think it would be a good idea to remind those listening to us of the bill's purpose.

• (1225)

The bill reads as follows:

> No minister of the crown shall propose a motion for a resolution to authorize an amendment to the Constitution of Canada— unless the amendment has first been consented to by a majority of the provinces that includes:
>
> (*a*) Ontario;
>
> (*b*) Quebec;

This majority must also include the Atlantic provinces, provided that at least two of the four provinces represent 50 per cent of the population; and at least two of the three Prairie provinces, provided that these two provinces represent 50 per cent of the population.

Following the representations made by BC residents, and particularly by the third party, British Columbia was granted a veto. One might think that, had some pressure also been exerted by residents of other parts of the country, for example Yukon or the Northwest Territories, these regions might also have been given a veto.

If Bill C–110 is passed, three provinces will have a veto: Ontario, Quebec and British Columbia. The other provinces would have such a veto by groups of two, as long as they represent 50 per cent of the population of their region.

What did the 1982 formula provide? Let us compare the current proposal with the 1982 formula. The 1982 Constitution provides a veto, not only for the federal government, but also for the provinces, although that constitution was rejected by Quebecers, through their National Assembly, in 1982. There is a formula provided in the Constitution.

What does it say? It provides that constitutional amendments require the approval of seven provinces, or 50 per cent of the total population.

In our opinion, Bill C–110 offers less than Meech and Charlottetown. Quebecers thought Charlottetown did not go far enough, while the rest of Canada, and particularly the western provinces, felt that it was going too far. Since Bill C–110 provides less than that, you will understand that the Bloc Quebecois, which looks after the interests of Quebecers, is not happy with that measure. The Reform Party, which primarily represents western Canada, thinks it is still going too far. This is a catch 22 situation, and the more we forge ahead, the worse things get.

Another major problem with Bill C–110 is that it only commits the House of Commons. Therefore, it can be assumed that, following a change of government, after an election, the Reform Party could hassle the new government and, if it displayed its current attitude, could prompt that new government to repeal this piece of legislation.

This is not really a constitutional change, but merely a bill that could be superseded by another, as the current government could easily do, given its majority.

But the fundamental problem with the federal system as we know it rests mainly with a distribution of powers that favours the federal government too much. Through its spending power and under special circumstances, it invades provincial jurisdictions from which it never withdraws afterwards.

The Quebecers who voted on October 30 were hoping for a more meaningful veto. They will not buy this bill that may be amended by the next government. The provinces did not consent to this bill being introduced.

Why not have had this veto proposal tested by submitting it to the provinces for discussion? No, the Prime Minister did try to get discussions going, but he was put in his place in no time flat, as they say. So, he consulted only with the members of his party in the federal government.

• (1230)

Now the amendment to include British Columbia in the deal made the people of Alberta and the aboriginal peoples unhappy. As we can see, instead of putting an end to the debate, this bill is keeping it going. If that trend can be reversed, it should be pointed out.

But what matters to Quebecers is that they are a people, one of the founding peoples of Canada. For any negotiations on the future of Quebec to be successful, it must be recognized from the outset that Quebecers are masters of their own destiny. Bill C–110 respecting a so–called veto for Quebec does not meet the expectations of one of the founding peoples of Canada, namely Quebec. This bill responds solely to the electoral ambitions of the Liberal Party of Canada.

This bill is not a satisfactory response to the promises made by the Prime Minister at the meeting in Verdun in late October. No one in Quebec believed the federal government would propose such an insignificant veto to Quebecers, not even the militants of the Quebec Liberal Party who voted no on October 30, 1995. No Quebec government, whether PQ or Liberal, has ever had such an insignificant change to the constitutional amending formula in mind. Quebec has traditionally demanded a true constitutional veto for Quebec, no a mere legislative promise not to proceed unilaterally during the lifetime of this government.

It would appear that the Prime Minister wants to save face by pretending to keep his referendum promises, but Quebecers have not been taken in. This sham veto does not meet the needs for change expressed by Quebecers—far from it. It is merely a continuation of the unilateral patriation of the Constitution in 1982 and the imposition of Trudeau's Charter of Rights and Freedoms, and none of this was agreed to by Quebec, not only by the PQ, but not by the Quebec Liberals either. Even Claude Ryan, that die hard federalist, who was then leader of the Quebec Liberal Party, did not agree.

Instead of offering constitutional change, this is one more padlock to prevent future constitutional changes in a process already complicated by the so–called Canada Bill of 1982, which required the consent of the federal government and seven provinces out of ten representing 50 per cent of the population. And now, the federal government will make exercising a veto even more difficult. In addition to the veto powers I just explained, the government's own veto will depend on how it is exercised by five regions, in two of which the consent of at least two provinces will be needed.

Quebec's motto is: "Je me souviens", and we on this side of the House remember that the man who moved the patriation of the Constitution of 1982 is the same person who is now proposing a padlock that will prevent any future changes.

[*English*]

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, it is a pleasure and a privilege to have the opportunity to speak on such important legislation as Bill C–110, an act respecting constitutional amendments.

Many hon. members over the past couple of days have spoken on this most important issue and debate has flowed from both sides of the House. We have heard all the figures and all the mechanics, such as the five and seven ratio. That is fine. I do not want to go over the facts and figures and the mechanics. I want to begin my presentation with a quotation from two distinguished Canadians who gave their heart and soul to Canada.

• (1235)

I quote Sir John A. Macdonald:

> If I had influence over the minds of the people of Canada, any power over their intellect, I would leave them with this legacy. Whatever you do, adhere to the union. We are a great nation and shall become one of the greatest in the universe if we preserve it. We shall sink into insignificance and adversity if we suffer it to be broken. It is God and nature who made Canada one. Let no person be allowed to put it asunder.

Another great Canadian, Sir Wilfrid Laurier, said this:

> This cathedral is made of marble, oak and granite. It is the image of a nation I would like to see Canada become. For here, I want the granite to remain the granite, the oak to remain the oak, and out of all of these elements I would build a nation great among the nations of the world.

Approximately 100 years later the words that were spoken by these two distinguished Canadians we hear today from nations, that Canada is the best country in the world in which to live. I reach out to members in the House and tell them how blessed we are and I continuously remind my family and friends of that.

I really do not know what is going on here. I noticed last week that the new words inscribed in the coat of arms state: "They desire a better country". These two distinguished Canadians desired a better country. Each and every one who came to this country, whether as immigrants, such as our parents or grandparents, came because they desired a better country. People came to build on the foundations that Laurier and Macdonald established for us.

Where do we go from here? Do we have the will to survive? I say we must develop a Canadian soul. We must develop unity and pride and share it publicly. We must share the joy of being Canadian, share the joy of being unique among nations.

I am afraid of what has happened because this whole situation is out of hand. Specifically, there seems to be a shoving match because neither the Bloc Quebecois nor the Reform Party are prepared to say: "Yes, we have made a mistake. Yes, our country comes before petty politics. Yes, there are times for give and take as the Fathers of Confederation did".

The country said yes to the railway in order to appease British Columbia in past years to make the union strong. I really fear what is taking place in the country right now.

I took my family to see the Lion King not too long ago. What I see across the way reminds me of the hyenas and the vultures, just sitting there waiting to grasp on to a situation. It worries me greatly. It worries me because we must be accountable to our children and our grandchildren and their children in generations to come. I am concerned because I do not even want to think of the day when I will sit with my grandchildren, and if God keeps me well, with my great grandchildren and tell them what a great country we had called Canada. There is a possibility that my grandchildren and great grandchildren will need a passport to visit their friends in Montreal or Quebec City. I do not even want to think about that.

Today I want to reach out, not just to members of the Bloc or the Reform Party who say they speak on behalf of their constituents. I do not believe that for a moment. On October 28, at three or four o'clock in the morning many of my colleagues and their constituents, seniors and students came together at Lawrence and Midland to load on to buses and take that six and a half hour ride to Montreal. They did not do it to beg Quebecers to stay in Canada. What they did was show their true love for this country. They tried to tell the nation from sea to sea to sea that we are one strong, united country and it only makes sense to keep it strong and united.

• (1240)

Their only means of getting to Montreal that day was in buses and planes organized by the members of the Liberal Party. I want to take this opportunity to thank the unity committee for its efforts in putting that project together.

I am concerned because there seems to be a falsification of the facts. The leader of the Bloc Quebecois stands up and through innuendo creates strawmen in trying to touch the emotional aspects of an ambiguous question, a question that was full of misleading statements, a question that was full of gaps, a question that had no substance, a question that was misleading.

I walked the streets of Montreal. I visited grocery stores. I visited restaurants. The people were confused right up to the very last minute. They did not know what they were voting for. God forbid if there is another referendum. I certainly would advocate putting a straightforward question to the people of Quebec: Do you want to stay in Canada or do you want to leave Canada? Do you want to continue to be a Canadian or do you want to become something else?

We are a relatively young nation compared to most of the nations in the world. But in that short period of time, we have managed to attain the status of the number one country in the world.

Earlier I spoke about Laurier and Macdonald. They too were immigrants. I am proud to stand in this House 100 or so years later, another immigrant, defending this country. It is a darn shame that we have members from the Bloc, members from the Reform. I was not born here but I am blessed to be living in this country.

There are not words that I can say to the members of the Reform or the Bloc that will change their minds. I am not going to attempt to, but I will be speaking to my friends in Montreal and in Quebec City and I am going to tell them what is the truth.

Members of the Reform Party keep flipping back and forth. The vision of their 20–point plan is this. They say they represent the rest of Canada and the rest of Canada does not want any province to have special rights over any other province. They say that they will never vote for a bill that gives one province more power than another. They forgot they felt this way when they brought out their 20–point new Confederation package. In it the leader of the Reform Party states that his party is in favour of Canada being split into five regions, in favour—

Mr. Johnston: That is rubbish.

Mr. Stinson: Be honest for a change.

Mr. Cannis: Be honest with the people of Canada. Do not get in front of the TV cameras and make a scene trying to score

cheap political points. Members will have to answer to the people of Canada. That day is not too far off.

Mr. Johnston: You bet.

An hon. member: That will not wash.

Mr. Cannis: The debate we are having in this honourable House on this motion is a very unique opportunity. It is an opportunity to lay the groundwork and to send a signal to Quebecers and all Canadians for 1997. It is a signal to the official opposition. It is a signal to the Reform Party to save face and to show solidarity, to work together, to create a climate for economic prosperity.

Working Canadians are happy Canadians. This agenda is about getting Canadians back to work, bringing some dignity into the household.

We must make this Canada the nation that it deserves to be, second to none. I am proud to support this legislation. Yes, I will have to answer to the people of Canada come election time and so will all members. God bless Canada.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I am standing today to oppose Bill C–110 for a number of reasons.

• (1245)

I find this bill extremely divisive. After listening to the hon. member from the other side who just spoke I find it even more divisive. Here is a government that had its opportunity during the referendum in Quebec. The Prime Minister said: "Don't worry, be happy. We are happy. Canada has no reason for concern over what might happen in Quebec".

Government members told us and all of Canada that it was only a small movement in Quebec that was looking for separatism, and the Canadian people believed them. The Reform Party never believed them. We told them there were all kinds of warning signs that this was a stronger movement than government members were telling the Canadian people. The Prime Minister likes to play like an ostrich and bury his head in the sand, unfortunately. We almost lost that province through acts such as this. This great government decided to tell the people. It tells them anything but the truth.

Now we stand here today, the day after the vote on distinct society, on which closure was invoked. We stand here today discussing the veto. No matter how we look at this we see a government that has gone on its hands and knees begging a separatist government to please be on board. In order to do this it is willing to sell out the rest of Canada. When government members start talking about veto powers to certain provinces, when they start telling people that because of the regions they live in they will have more power than other people in different regions, they are asking for trouble.

When I was brought up and in school I was taught the number one law in Canada is equality of all of its citizens, not a select few, not for the few who sit here in government, but for all citizens of Canada. The bills we have seen in the last few days absolutely contradict everything we have been taught about Canada. The government has decided that because of our ethnic backgrounds some of us can no longer be classified as Canadians; they will be distinct Canadians. What does it think this does to the rest of the people in Canada?

We hear from hon. members on the other side that there are two founding nations. That went out over a hundred years ago. There are many Canadian citizens and they want to be called Canadian citizens, not on the basis of their ethnic backgrounds. They came here to be Canadians and yet bills such as this cut that all apart.

The government will create a backlash that will see once again in all probability the ugly head of western separatism rise. Yet the government has no fear of that. It does not worry about that. Its members say: "We gave B.C. the veto. Shouldn't you be happy?"

The Prime Minister was led kicking and screaming to give B.C. the veto. I remind the government there is no way he wanted to give B.C. the veto. It is not so much that B.C. wanted that veto; it was to appease the rest of Canada. It is backfiring.

We heard another member say the Reform Party was in favour of the five regions. Let us set the record straight. We put 20 questions out to be discussed by the people of Canada, not by some high and mighty, so–called little tin god the government thinks it is.

• (1250)

If there are concerns about any part of these 20 questions, please come back to the Reform Party and address these problems. We stand by taking it to the people and letting the people decide what our policy should be. Not one of these becomes policy until passed by our members, not by the elite few like the government members with their policies.

Let us look at what we give up. Under this veto power there will be no change. The status quo will go on forever. One region may decide it is against its best interest or another region will decide it is against its best interest. Therefore nothing will change except the fostering of greater discontent from the Canadian taxpayers' not being able to see change made.

We will not see a centralized government which is what the government is trying to pull here. If anything, it will be torn further apart. We will see the people finally rising up and saying they have had enough of this dictatorial state from a one person government. We will find that people will look at this as a return to the Charlottetown accord, soundly defeated across Canada. Because the accord was defeated, the government will find those

back doors to open this up, bring it forward and pass it into law. It will pay no attention to how that vote went.

The government does nothing to listen to the people. It has no intention of ever listening to the people of Canada. Its members' only intention is to make sure their plates are full of whatever they need to eat, that they are warm, safe and cuddly while their pay cheques come in on time. That is the only concern I can see that the Liberal government has ever thought about in the last two years.

Look at their vision. The Liberals say they have a great vision, a vision of a united Canada. All Canadians have that vision. It might come as a shock to the government, but it does not really have to go out and sell that. It has to be honest with the Canadian people. It must tell them exactly what it is giving to the separatist government in Quebec. People will understand. The government is selling them out. It is selling out the Canadian public and making a poor job of it.

These proposals will do nothing to promote national unity. We sit here every day and listen to the sell, sell, sell idea from the government. I have to admit, some members over there could sell snow in Alaska. They practise very well. They study this "be happy, it will not hurt". However, every time one of these things is implemented it hurts. The Liberals will come back in about six months and say: "We did not realize there was any concern. Nobody told us there was any concern". That is their standard answer on anything they do.

We came back here thinking we still lived in a democratic country. No, we do not. When governments can put time closure it is no longer a democracy.

Mr. John Maloney (Erie, Lib.): Madam Speaker, I am pleased to participate in the debate on Bill C–110.

• (1255)

I will outline some of the salient features of what I consider a sound, innovative piece of legislation. The bill on the regional veto will require the consent of Quebec, Ontario, British Columbia and the Atlantic and the prairie regions before any constitutional amendments can be proposed in Parliament by the Government of Canada. Currently only the House of Commons has an absolute veto over any constitutional amendment.

The bill guarantees Quebec, Ontario, British Columbia, the Atlantic region and the prairie region a general veto over any constitutional amendment in areas where they do not already have an absolute veto or right of withdrawl. This veto will apply to changes to national institutions such as the Senate, the creation of new provinces and any amendments regarding the distribution of powers.

Under the bill a constitutional amendment will have to receive the consent of at least six provinces, including Quebec, Ontario, British Columbia, two provinces from the Atlantic region representing more than 50 per cent of the region's population, and two provinces in the prairie region representing more than 50 per cent of the prairie's population, before it can proceed to Parliament.

The federal government could not proceed to table an amendment if one of the regions refused to give its consent, even if seven provinces or more representing 50 per cent of Canada's population passed resolutions in favour of the amendment. The consent of the provinces and the regions will be expressed in various forms: by direct notice, a vote in the legislative assemblies or by a referendum.

The bill does not amend the Canadian Constitution. Nevertheless, an act of the federal Parliament is a serious measure. This law will become part of Canada's consolidated statutes and will be binding on the current government and on succeeding governments.

In tabling the bill, the Government of Canada is keeping its commitment to Quebecers and ensuring them increased protection within the Canadian federation in a way that should not offend its sister provinces. Moreover, the Government of Canada has recognized that the constitutional amendment process is of interest to all parts of the country. That is why the federal government is lending its veto to the five regions of the country, treating all regions fairly and equitably.

Now is not the time to hold a series of constitutional discussions. The Government of Quebec and its premier in waiting are unequivocally devoted to their secessionist option. If future conditions were to change where Quebec and the other regions were to agree the veto proposed by the bill could be incorporated into the Constitution. This will be for future discussion and future debate; this after due consideration and with the contribution and input from our constituents, the citizens of Canada.

In the past attempts to accommodate Quebec within the Constitution have failed. When the citizens of the country voted against the Charlottetown accord in 1992 they rejected a complex package of changes to the Constitution, including an elected Senate, which I agree with, aboriginal self–government, a veto for each province on changes to the composition of the Senate, the House of Commons and the Supreme Court, and the recognition of Quebec as a distinct society.

The Prime Minister's new, much simpler proposal is easily understood and should be judged on its merits.

In the past in attempts to accommodate Quebec within the Constitution Canadians outside of Quebec were united on one key point, and I agree wholeheartedly with them, that Quebec not be given powers which would make Quebecers more equal than their fellow Canadians. A veto for Quebec alone, even if it

applied only to language, culture and civil law, would have meant very special status, which the majority of Canadians oppose. My constituents would oppose special status for any region.

On the other hand, a veto for all 10 provinces would have enabled situations to exist; for example, the claim that Prince Edward Island, with a population 130,000, could thwart Ontario's democratically expressed aspirations. A provincial veto would be easier to champion if every province had the same number of citizens. They obviously do not.

Some are not thrilled with having their province lumped in with others in a geographical region. If they are honest with themselves they will realize the regional veto recognizes the reality of the country and its population.

The government's regional veto is a logical attempt to balance fairly equal blocs of population so that aspirations of several million people are not thwarted by several hundred thousand. Is this not fair and equitable?

If every province had a veto a national compromise would prove more difficult to negotiate than all of our combined frustrating constitutional negotiations of the recent past.

It is important to point out that until 1982 Quebec had a de facto veto, if not a constitutionally entrenched one, over fundamental constitutional change. The proposed change restores the principle which was done away with by René Levesque in the final negotiations of the 1982 Canada Act.

• (1300)

Despite difficulties, Canada grew and prospered for 125 years with a Quebec veto. We should ask ourselves now how long it could last without one. Canadians now realize that we cannot continue to build a strong, unified federation by trying to force Quebecers to accept a Constitution that is definitely not acceptable to them.

Canadians from all parts of the country began the crusade for Canada at the Montreal rally. We have a responsibility to take up the mantle and seek the final victory. I further point out that we are dealing with an act of Parliament which can be amended and repealed, rather than a binding constitutional change. Let us give it a try. We should think of what we might lose if we do not.

The legislation is a welcome attempt to wrest debate on Canada's future out of the hands of separatists. All Canadians want and are entitled to a say on the issue. It is an offer of a tangible, substantial change that even the Leader of the Opposition and his cohorts have found difficult to discredit. It is one with which the rest of Canada can live, albeit with some reservations.

It was interesting to see how the Leader of the Opposition and his cohorts explained to Quebecers why they were not interested in accepting an offer that Quebec felt it required. The Leader of the Opposition and his cohorts say that no federal offer to Quebec would ever be acceptable. Their sights and their egos are set on an independent country. They fail to appreciate that in the most recent referendum Quebecers again rejected sovereignty. Yet these separatists continue to contradict the people who elected them and strive for the goal the majority of Quebecers have rejected. They are democratic when the people agree with them and autocratic when they do not.

The proposals send a clear message to Quebecers that the Reform Party's shrill cries do not reflect the views of the rest of Canada. There is a willingness in the nation to make some reasonable accommodation for Quebec. The Bloc Quebecois does not have the appropriate answer. I remind Reform members that western Canadians wish for Canada to stay in one piece. Life will not end if Alberta loses the provincial veto it never had. There is no dishonour in losing a minor disagreement to keep a wonderful treasure: Canada. It is a small price to pay for a united country. The obligation to compromise is not really that difficult or that horrible.

Canada is weary of the Quebec issue, but at the same time it is very concerned about the Quebec issue. Many Canadians will admit to nights of fitful sleep leading to the referendum on October 30 and a collective sigh of relief when the majority of Quebecers rejected separation.

Bill C–110 is a welcome step forward. It is not the end or even the beginning of the end of our constitutional malaise. The separatists who deem it unacceptable should ask their constituents for their opinion and then be honest with themselves and with us, as it gives much of what Quebecers want. At the same time the constitutional veto powers to Quebec, Ontario, the Atlantic provinces, the prairie provinces and British Columbia should alleviate concerns that Quebec would have regional powers the rest of the country would not. Have we not struck a reasonable compromise, a compromise with which we can all truly live?

The government has acted in good faith. Although these proposals lack constitutional clout, they could very well represent the best and perhaps the only hope to keep our country strong and united. I urge members of the House to put aside petty regional jealousies and partisan politics. These proposals deserve the support of all who would keep this great country together.

Give unity a chance. Give Canada a chance.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, it is with great interest and a sense of conviction that I rise in the House today to speak to Bill C–110 introduced by the government, a bill that would add to our constitutional jargon one more formula to amend a Constitution that the Quebec nation rejected when it refused to sign it in 1982.

I rise in the House today with a sense of conviction because since yesterday, when the Prime Minister was again heard to deny the very meaning of these meagre proposals for change, I feel I have an even better case for attacking this government's indecent show of irresponsibility on a subject as fundamental as an agreement concluded in the past by two founding peoples.

• (1305)

Yes, like millions of fellow Quebecers, I heard the Prime Minister yesterday renege on his referendum commitments and put on the back burner all the good intentions he served up in a panic to Quebecers towards the end of the referendum campaign.

Those who believed the Prime Minister was sincere, when he promised sweeping changes after the referendum, realized yesterday how thoroughly and rudely they had been tricked.

In an interview on the CBC, I heard the Prime Minister explain the thinking behind the changes he is proposing. I heard the Prime Minister say that he had promised Quebec three little things, and those are his words.

So, if we are to believe the statement the Prime Minister made yesterday to the nation, the government is inviting us to debate one of the three little things—Bill C–110.

What of this little thing for Quebec? Indeed, it is really not much at all. We knew as much, even though, until yesterday, the government members were doing their best to sell this provision to Quebecers like it was the find of the century. In a gesture of magnanimous imperialism, the federal government is trying to show its generosity towards Quebec by lending it a veto.

In fact, the federal government is dangling a veto in front of Quebec, which does not come under the province's jurisdiction, but rather that of the federal government. At any time, the government may circumvent the opinion and the jurisdiction of the National Assembly by imposing its own rules on the use of this bogus veto.

What the federal government claims to be giving with one hand, it is already preparing to take away with the other. In Quebec, we have got used to this sort of double cross in the course of the various attempts at constitutional reform. Never, however, has the affront reached the level of being written into a bill. Never throughout the fruitless constitutional negotiations of the past has anyone thought of serving up such insignificance to Quebec.

In this regard, federalist utterances are fairly paradoxical. To the Quebecers, the return of the veto is being heralded. To English Canada, with the Prime Minister having to justify his poor referendum performance, the bill is being touted as nothing at all. Just enough to cobble together a few sad promises that they already regret having made, while appearing to formally resolve the big issue of national unity.

This bill must be rejected because it became obvious as soon as it was introduced that it was thrown together hastily. Originally designed, according to the government, to meet one of Quebec's historical demands, it is now so watered down that every province would also get a veto at the same time, including those who never asked for one.

Let us acknowledge right off the bat that the federal offer to give Quebec its veto back is based on false premises. The government accuses Quebec's sovereignist leaders, René Lévesque first of all, of losing Quebec's veto after giving up on it. That is a false premise, as federal mandarins and the Minister of Justice know full well. In 1982, the Supreme Court ruled that Quebec did not have a veto and never had one. In a second ruling following the irreparable patriation of the Constitution led by today's Prime Minister, the Supreme Court concluded that Quebec never had a veto.

It is clear that neither this government nor English Canada want a real veto for Quebec, as demonstrated by the fact that this bill provides for not one but four vetoes, with a fifth one that just surfaced. Since they do not really have anything to give, they are generous: they are willing to give everything to everyone. Yet, when the time comes to give Quebec what it has rightfully demanded for decades, they only respond with pettiness, narrow–mindedness, and a total disregard for the hope for major changes expressed by Quebecers in the last referendum.

• (1310)

It only took a short 40 days for all the solemn promises and demonstrations of love and affection to boil down to three meaningless proposals. First, a distinct society motion of no legal significance, that has already been disavowed by the Prime Minister, who denies the very existence of a Quebec culture. Second, a veto granted, or rather imposed on everyone, a veto no sooner granted than it is taken back, given that the federal government is the only one with fiduciary rights. And, finally, a travesty of transfer of jurisdiction over manpower training, an area in which the government takes pleasure in shifting responsibility without the related financial authority.

Indeed, the interpretation the Prime Minister gave yesterday is accurate: these are three small things that he is giving the people of Quebec to fulfil his promises and meet the expectations of those who voted no in the referendum, confident that the promised changes were coming.

But a great nation makes great things. It refuses to let imperialism impose small things on it. That is what we call pride.

And I will proudly vote against this bill.

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I deem it an opportunity to speak to Bill C–110 which gives a regional veto and to the amendment which changes the number of divisions from four to five.

The question I ask today in rising to speak on report stage of Bill C–110 is why we are here in this situation. Why are we here at this time? What has led us to this discussion?

If we look back to the beginning of this parliamentary session in October 1993 and the spring of 1994 we had certain expectations. I had an expectation of the Liberal government. For nine years it sat in opposition. The rules are clearly set out in Beauchesne's. Any group that sits in the place of official opposition is there to prepare to take over government and to be ready to take on the responsibility.

I asked a question early in this session that I ask again today. Was that Liberal opposition ready to be the Government of Canada? Clearly it was not, for in the first session of the spring of 1994 the government did not move on its fiscal policy. There was no plan to reduce the deficit of the country. There were complaints about what the Conservatives did previously but nothing in terms of a plan to deal with the deficit of the country and on a long term basis to bring the deficit of the country to zero and balance the budget. That was it.

In other areas, for example social policy, pension issues and justice issues, there was a whole string of committee reports, sittings and studies done. The House leader for the Liberal Party mentioned over and over again that he had to study something. It became an item of humour in the current House, in the 35th session, that things were being studied and no decisions were being made. That is what happened and things have been allowed to drift because of it.

It has been a do nothing time since 1994. A huge social policy review has now come forward and produced nothing. There is still a white paper on pension reform that is 20 months overdue. That is the setting in which the discussion on Bill C–110 is placed.

The government made it up as it went along. It has resulted in ill conceived policies that do not work, for example the policies of the human resources minister on employment insurance. The question is: Will it really get anyone back to employment? We question that.

• (1315)

They are hollow, symbolic policies that do not attack the real problems which have been presented to us. The best example of that in this current House is the justice minister's gun control bill which is supposed to stop crime when a gun is registered. As we have said over and over again, that is the most foolish thing we have ever heard.

If we look at the current piece of legislation in that context, we again find that even the Prime Minister's referendum strategy that occurred before October 30, 1995 was a fly by the seat of your pants stewardship. There was no plan for any renewed federalism, only more of the status quo. There was no effort to dispel the separatist myth of a painless divorce, only silence. There was no concept of a referendum strategy, only a hope that if nobody said anything it would turn out all right. We know that the vote was very close. It almost cost us the country of Canada because of the Liberal government being ill prepared and only knee jerk reacting to every one of its responsibilities.

We look at this legislation and the Prime Minister has done it again. Having made a desperate promise in the last week of the campaign that Daniel Johnson would not let him forget, the Prime Minister and three or four of his advisers huddled on the third floor of centre block and came to the conclusion of providing a unity package. They put that proposal before us to study.

The unity package is going to do more to divide Canada than to bring it together. Looking at it within Quebec, what has it done within Quebec? Has it brought Quebec into Canada? No, it has not. The potential new premier of Quebec has said in this House regarding the proposal: Is this all that Canada has to offer?

The federalist cupboards are bare. It has not satisfied that seemingly unquenchable thirst in Quebec at all. It has caused more division. Other Canadians are asking: "Why do you keep giving it things when you are not treating the rest of Canada in an equal way?"

Is this package any better than the Meech Lake or Charlottetown proposals? Many of us have called it Charlottetown light because it promises less to Quebec. As such, how is it ever going to do more for the federalist cause in Quebec?

Outside of Quebec what is it doing? Outside of Quebec we feel this legislation and the distinct society resolution will only divide Canadians, rather than unite them. For example, with this regional veto proposal, even after the government amendments which are being proposed here to change the divisions from four to five, British Columbia and Alberta are still opposing the bill. There must be something drastically wrong when the regions do not accept it, even after they have had a little more say in the outcome of the veto. Through its own actions, the Liberal government is creating what we think are first and second class provinces. This is more of the old style traditional politics of tired old federalists.

Over the course of a week or two the Prime Minister and his cronies cooked up a Quebec package. Now they are trying to shove it down the throats of not only Parliament, but of all Canadians. We must remember that we each stand in our place as representatives of all Canadians.

We have to recognize that the provinces were not consulted. The people were not consulted. Not even all the members of the Liberal caucus were consulted in terms of the process in reaching a final conclusion or proposals that were presented to the House of Commons.

As my final point, I raise the matter that there has been some confusion over Reform's own proposal on constitutional ratification. Some people have misunderstood the regional aspect of it and have asked about the difference between the government's proposal and Reform's proposal. The difference is that we believe there should not—

The Acting Speaker (Mrs. Maheu): I am sorry, your time has expired.

Mr. Speaker (Lethbridge): Madam Speaker, I rise on a point of order. When I rose on debate it was 10 after the hour and it is now 17.5 minutes after the hour. I have been standing for 7.5 minutes. I would appreciate it if you would check your clock.

The Acting Speaker (Mrs. Maheu): I have 1.13 p.m. I will give you another minute and a half. Sorry.

Mr. Speaker (Lethbridge): You have cut me off on other occasions. I do not accept what you have just done.

The Acting Speaker (Mrs. Maheu): You may have the extra minute and a half. I was not in the Chair and I do not intentionally cut off any member of this House.

Mr. Speaker (Lethbridge): Madam Speaker, I appreciate the change in the course of events. I have a final point I want to make within the minute I have.

It is very clear what we are attempting to do in this House of Commons is to make an amendment to section 38(1)(a) of the current Constitution Act of Canada. This amendment allows the provinces and their legislatures to make a vote with regard to this matter. The Reform Party clearly wants to have the people of Canada by referendum vote in the regions to determine what constitutional changes come about. That is the distinct difference that we believe in.

The Acting Speaker (Mrs. Maheu): I would like to correct the hon. member. You started at 1.09 p.m. and the clerks have you down as being 11 minutes and not 10.

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BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I think you will find unanimous consent for a couple of motions. I move:

That, notwithstanding any standing order, immediately after the disposal of the report stage of Bill C–110 this day, the House shall consider the third reading stage of Bill C–108, followed by the third reading stage of Bill C–99, followed by consideration of Private Members' Business, followed by adjournment proceedings;

That, during the consideration of Bill C–108, no member may speak for more than 10 minutes, not more than one member of the Liberal Party, two members of the Bloc Quebecois and one member of the Reform Party may speak, and at the completion of the debate, the question shall be deemed to have been put and a division thereon demanded and deferred until 5.15 p.m. on December 13, 1995;

That, during consideration of Bill C–99, no member may speak for more than 10 minutes, not more than one member of each recognized party may speak, and at the completion of the debate, the question shall be deemed to have been put and carried.

I should also advise there will be no questions or comments following any of the speeches indicated in the motion I have just read to the House. I seek consent of the House for adoption of this motion.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move:

That, during the consideration of the motion of the Secretary of State for Parliamentary Affairs concerning the report of the Standing Committee on Finance tabled this day, on Thursday, December 14, 1995, no dilatory motions shall be received and no quorum calls shall be entertained;

That, after the the conclusion of Private Members' Business on Thursday, December 14, 1995, the House shall continue to sit for two hours and thirty minutes for the purpose of considering the aforementioned motion and shall then adjourn, provided that the House may, by unanimous consent, order the sitting further extended for a specified period for the purpose of considering the said motion; and

That the House shall not sit on Friday, December 15, 1995, provided that, for the purposes of Standing Order 28, it shall be deemed to have sat and adjourned on that day.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

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CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of Bill C–110, an act respecting constitutional amendments, as reported (without amendment) from the committee; and Motions Nos. 1 and 2.

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Madam Speaker, I rise to speak on Bill C–110, the bill which provides for a regional veto over changes to our Canadian Constitution.

• (1325)

The bill provides for a historic recognition that the people of Quebec should have input into and a veto over constitutional change which affects national institutions such as the Senate, and any amendments which might affect the distribution of powers. At the same time with our amendment to recognize British Columbia as a region we are giving historic recognition to the regional make–up of Canada in which our 10 provinces are within five regions.

The bill clearly recognizes the fact that British Columbia by itself represents an identifiable region. This recognition is consistent with the unique geographic situation of British Columbia, the rapidly growing population of British Columbia and the emergence of the Asia–Pacific trading region in which Canada and particularly British Columbia have a major role.

In making this amendment we are also recognizing in law the importance of the prairie region of Canada representing the provinces of Manitoba, Saskatchewan and Alberta as a region. As the representative from Portage—Interlake in Manitoba, having roots and family in Saskatchewan and having many friends and having visited frequently in Alberta, this seems to me to be a particularly timely and appropriate recognition.

The bill we are discussing today represents one part of a package we are bringing forward in the follow–up to the recent referendum. It has measures which are designed to strengthen and to promote the unity of Canada and the ability of Canadians to be full participants in our planet's global village. In this context I will comment briefly on the place of this bill as part of the whole package of changes which we are bringing forward.

The recognition of Quebec as a distinct society is appropriate and timely. It provides within the framework of our country Canada a vision of the make–up of our component parts. Quebec is distinctive in having a system of civil law which is based upon the Napoleonic tradition. This is different from the rest of Canada which has civil law based on the English common law tradition. Quebec is also distinctive linguistically and has its own distinctive cultural traditions.

I would liken the development of this historic recognition to the historic recognition and evolution of English and French as official languages in Canada. The recognition of French and English as official languages provides a recognition of the fundamental nature of our country, Canada. The recognition does not give rights to other languages: Ukrainian, German, Italian, Chinese, aboriginal languages and so on. However it has sent a signal that individuals' historic languages and cultures are important.

That signal has been fundamental to the evolution of Canada as a country which is very different from the nature of the United States south of our border. Instead of the United States model of a melting pot, we have a pluralistic community in Canada, a country which clearly recognizes and thrives on diversity, a country in which the different regions of Canada can take pride in aspects in which each is distinct.

I will argue that the tolerant diverse country we have built in Canada is ideally prepared for participation in the future of our planet. With multiple global languages around the world, with multiple global cultures in which it is increasingly important that we work together and trade together for our common benefit, our background as a diverse and tolerant society is particularly fitting.

It is in the context of this changing world that we have presented a new employment insurance program to decentralize training in Canada. Individuals will have better access, more freedom of choice and more opportunity to learn as they would desire to learn for their own benefit and for the benefit of Canada.

We are entering the knowledge age, a time when the information highway will dramatically change opportunities for learning, opportunities for work and opportunities for self–expression.

• (1330)

We are moving to a model which people have called a client service model in which individuals will have more choices, more options and more opportunities. Therefore the government in many respects is changing its own role dramatically; changing from the old world in which government tried to do things alone to provide solutions, to a new world in which the government is a facilitator and a catalyst, helping Canadians from coast to coast find their own solutions.

The role of Canada in the world has similarly changed. The Canadian people, a people of diverse backgrounds, are an example to the rest of the world of how to achieve a very high quality of life which we have here, an example of how to work and to co–operate together for our mutual benefit, an example of the benefits of our linguistic, cultural, economic, scientific and technological strengths in Canada, benefits which enable us to reach out to help and to trade with the rest of the world.

In providing in products and services an understanding based on our diversity and our tolerance to others in the world, we can help others improve their quality of life even as we improve our own. Through increasing our exports of products, services and knowledge, Canadians can derive economic benefit and improved quality of life even as we help others to improve their own circumstances.

The tolerance and the diversity, the cultural sensitivity and the linguistic abilities of Canadians provide us with a unique position in the world which we should recognize and celebrate. It is the Canadian paradigm that we have diversity and tolerance even as we have unity and co–operation.

In this bill we celebrate one further step being taken today: our gradual evolution as a Canadian people and a strong and unified country.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, I rise in this House to speak to Bill C–110 respecting constitutional amendments. It seems obvious to me that, by its very substance, Bill C–110 cannot meet the expectations of the people of Quebec and Canada.

Quebecers have always asked for a real constitutional veto for Quebec, not a mere legislative promise. This veto granted to Quebec through Bill C–110 is reminiscent of the 1982 constitutional amending process. If they disagree, the federal Parliament may overrule Quebec's veto.

Under Bill C–110, it is up to the federal government to determine the criteria governing a province's approval. There are at least seven different ways of doing that: through a resolution from the provincial legislature; through an order in council, which means a simple notice from the government; through a notice signed by the premier of a province; through a notice signed by the lieutenant governor of a province; through a provincial referendum held by a province; through a federal referendum held in the province or in a number of provinces; and, finally, as a last resort, through a vote by the MPs representing the province concerned.

The Constitution Act of 1982 includes specific provisions regarding the amending formula, but the government did not see fit to include them in Bill C–110. There is a strong consensus in Quebec regarding the need, for the province, to have a veto, and Quebec's interpretation of that right is totally different from that of the rest of Canada.

Quebecers always felt that Confederation was a pact between the four original provinces and basically an agreement between the two founding nations. Former Prime Minister Pierre Elliott Trudeau supported that view in 1967, when he said that the BNA Act of 1867, which was proclaimed by the imperial Parliament, was based on an agreement reached by two parties.

• (1335)

Thus, any constitutional amendment requires Quebec's approval, as one of the two founding nations. The Constitution was patriated with a new formula, in spite of the opposition of Quebec, which was not granted a veto over future constitutional amendments.

In his memoirs, former Quebec premier René Lévesque explained why he accepted the right of withdrawal with compensation, instead of the traditional veto power. He felt that a veto could impede development, and that if Quebec got it, Ontario, and perhaps other provinces, would demand it. His view of things was right, since British Columbia in fact claimed a veto and recently got it.

As my colleague for Joliette said earlier, the Prime Minister opened his veto drawer, pulled out a copy and handed it to British Columbia.

The government of Robert Bourassa, premier of Quebec at the time—and this was before the failure of the Meech Lake accord—then wanted to back both horses on the Quebec veto issue. He claimed for Quebec both the constitutional right to oppose changes to federal institutions and the creation of new provinces and the right to withdraw with financial compensation.

The constitutional question was always at the heart of the debate in Canada and, until 1982, no constitutional change affecting the legislative powers of the Quebec National Assembly was adopted in Canada.

The fact that Jean Lesage's Liberal government dropped the Fulton–Favreau amending formula in 1966 and Robert Bourassa's Liberal government rejected the Victoria charter in 1971 indicate that Quebec, the other provinces and the federal government considered Quebec had a veto on constitutional amendments.

However, the Supreme Court of Canada reminded us in 1982 that Quebec had never had a constitutional veto and thus confirmed that the federal government could, with the support of the Supreme Court, circumvent the opinion of the people of Quebec.

And now for a bit of history, let us go back to the time of Honoré Mercier, who has gone down in history as a great 19th century premier of Quebec. From 1887 to 1891 his concerns were the Constitution, education, the public debt, regional economic development and the challenge of industrial change.

His great project was to redefine the Constitution Act of 1867 by totally affirming the principle of provincial autonomy, particularly for Quebec. He said, "Our cause is the cause of our nation, the cause of provincial autonomy. It is the cause for which our fathers fought, the cause of patriots throughout history, the cause of those who do not want the province of Quebec to be a province in bondage, who want it to be self–governing in accordance with the wishes of its inhabitants. We do not want to hear our province referred to with disdain any longer. We wish to be masters of our destiny; we wish the voice of the majority to be heard and respected by all".

I should point out that premier Honoré Mercier governed with a two–party government, the Conservatives plus the Liberals, in a national unity government.

In 1887, 20 years after Confederation, premier Honoré Mercier called a provincial conference in Quebec City. Although Sir John A. Macdonald, the Prime Minister of the day, refused to send a representative, the Quebec conference was a success. Twenty ministers, five premiers among them, affirmed the principle of the autonomy of the provinces making up our confederation. They protested against the centralist approach of

the government in Ottawa and the government's tendency to abuse its power of disallowance, as it still does today.

• (1340)

The conference was a milestone in Canada's political history in that it confirmed the political and constitutional rights of the provinces, thus reminding the central government of what should be the very essence of a confederation's constitution.

Today, as the year 1995 draws to a close, what was said by Honoré Mercier, Premier of Quebec from 1887 to 1891, seems as topical as it was at the time.

Bill C–110 takes us back to the sad realization that there are truly two solitudes, two peoples, two cultures, each with a completely different vision of Canada's future.

On November 30, the Leader of the Opposition reminded the House of the disastrous impact of this bill, and I quote: "This leads me to believe and shows us that Bill C–110, in fact, has a pernicious effect in that, since the Canadian Constitution is so complex and twisted in certain respects, this bill, and that is a paradox, will in no way solve the current problems, but will make it even more difficult to transfer the powers that the federal government might be willing to give to Quebec".

Quebec's demands for more powers have persisted since the beginning of Confederation. The post–referendum promises of the federal government appear in this bill, and this veto is just a lot of smoke and mirrors. A real veto should be in the Constitution and be binding on all parties concerned.

The federal justice minister claimed that Bill C–110 was valid federal legislation, and I quote: "Let me express my sincere conviction that Bill C–110 is valid federal legislation. It does not amend the Constitution in any way. Indeed, it is complementary to the constitutional amending provisions".

In its content, the bill remains silent about the manner in which the provinces will be able to express their position.

This bill, which covers a scant two pages, merely indicates what the federal government means by a majority of the provinces. To the leader of the Bloc Quebecois and to most Quebecers, this proposal is a step backward, a proposal that offers far less than Meech Lake or even Charlottetown, which was rejected by Quebec. There has been a succession of offers from Ottawa, but the substance of those offers keep shrinking all the time so that in the end it is just a joke, according to the Leader of the Opposition.

And what about the criticisms from the Reform Party? Reformers are against this bill because it would give a constitutional veto to Quebec's sovereignist government, which should soon be led by the leader of the Bloc Quebecois. This brings us back to square one, in that it is impossible to satisfy both English Canada and Quebecers.

This vision of Canada compels us to stop these endless demands and deal with the real issues.

Quebec sovereignty will bring about a new climate allowing us to negotiate as equals with the people of Canada. I submit to you that the people of Quebec cannot support Bill C–110. We are still waiting for real, valid offers from the Prime Minister of Canada, in keeping with the promises he made before the October 30 referendum.

I have been a sovereignist for over 30 years and I cannot be happy with a veto that is a mere legislative promise and a total improvisation. That is why I will vote against Bill C–110.

[*English*]

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Chair, it was less than two months ago, on October 30, when 50.6 per cent of Quebecers said no to separation and yes to Canada. The Canada votes would have been higher were it not for the fraudulent question, the fraudulent campaign and the questionable counting.

The leader of the Canada campaign was Daniel Johnson and the leader of the separatist campaign was originally Jacques Parizeau. The leader of the Bloc Quebecois displaced Mr. Parizeau as the leader of the separatists and proceeded to conduct a campaign of deceit and mistruths.

A week before the referendum the Canada side was 7 per cent behind in the polls, and the Prime Minister became highly active in the campaign. On October 24, to counter the winning campaign of the separatists, the Prime Minister promised at a rally in Verdun that changes would be made to recognize Quebec as a distinct society and to ensure that future constitutional change would require Quebec's approval. The Prime Minister's nationally televised address to the nation on October 25 helped mobilize Canadians from coast to coast to coast.

• (1345)

On October 27, more than 150,000 Canadians gathered in Montreal to express their love for Canada, a Canada that includes the province of Quebec. Among those at the rally, close to 600 were from my community. Had there been more buses available there would have been 2,000 people. People from my community boarded buses at midnight on Thursday and did not get back home until midnight on Friday. They put their lives on hold for a day to go to Montreal to express their love for a Canada that includes Quebec.

The 150,000 Canadians at the Montreal rally supported the Prime Minister's promise for change. They will be the guardians of that promise.

On October 30, in spite of a fraudulent question, in spite of a fraudulent campaign, Canada won. The Prime Minister was instrumental in taking the pro–Canada side from a deficit of 7 per cent a week before the referendum to victory on referendum night.

The separatists blamed their loss on money and ethnics, ignoring the 40 per cent of French Quebec that voted yes to Canada and no to separation. The leader of the Bloc Quebecois and future premier of Quebec has stated that he is not in favour of constitutional change. He wants a Quebec that is separate from Canada.

The Prime Minister introduced a regional veto and distinct society clause through federal legislation, the only way he could keep his promise that there would be no constitutional change without Quebec's support. We approved the distinct society clause on Monday and will approve regional vetoes tomorrow.

The Prime Minister has delivered on his promises. On Monday evening the House of Commons approved the distinct society clause. The Bloc Quebecois voted against it saying that it gave nothing to Quebec. The Reform Party voted against it saying it gave too much to Quebec. The leader of the Bloc Quebecois and the separatists have been historically consistent in opposing distinct society for Quebec as they worked for the failure of Meech Lake and the Charlottetown accord.

The leader of the Reform Party and his followers have also opposed accommodating Quebec in Canada. While the Bloc Quebecois is trying to pull Quebec out of Canada, Reformers are trying to push Quebec out. The Reform Party aided and abetted the separatists before the referendum and is doing the same now.

Reformers would be revisionist historians who would deny the Quebec Act of 1774 where the British Parliament recognized the French language, civil code and the distinct culture of Quebec. The reality is that the formation of Canada was a miracle based on the coming together of two of Europe's leading peoples, the French and the English, with the accommodation of the First Nations. Without this coming together we would likely be part of the United States.

Our willingness to embrace a bilingual society is welcoming to new Canadians. We have evolved as a compassionate, humane and understanding country. Together we have built a country that the United Nations has judged on a number of occasions as the best country in the world in which to live. Canada is the country of choice of millions of would–be immigrants.

When we examine the demographics of Canada, 22.8 per cent of Canadians are of French origin; 20.8 per cent are of British origin; 1.7 per cent are aboriginal and the remaining 54.7 per cent have roots in other countries, with half of those having multiple origins.

Canada represents a beacon of hope in a troubled world. We have built a country that has its make–up from the rest of the world. Canada is an example of civility and compassion, caring and sharing, tolerance and understanding.

Canada welcomed my family after the Hungarian revolution in 1957. We were refugees and Canada offered us refuge. My wife is a sixth generation Canadian whose roots go back to Ireland. My daughter is nine years old and all three of us are fiercely proud Canadians.

When my family first arrived in Canada we lived for the first five years in Vancouver, B.C. I am acutely aware that B.C. looks on itself as a distinct region of Canada. The fact that the regional veto was extended to B.C. shows the flexibility of the government's approach.

In the past 39 years I have had the opportunity to travel this country from coast to coast. I have watched the sunrise on Signal Hill in St. John's, Newfoundland and have seen the sunset in Tofino on Vancouver Island. I have viewed the majesty of the Rockies and the vastness of the prairies, the wilds of northern Ontario and the beauty of the Great Lakes. For me the Gatineau hills, the St. Lawrence seaway, Isle d'Orleans, old Montreal, the Quebec winter festival give meaning to la belle province. I have enjoyed the quaintness of Prince Edward Island, the beauty of Nova Scotia and New Brunswick. I have much more to see and I am awestruck at the beauty of my country.

Early this past October, a delegation from Waterloo, Quebec visited Waterloo, Ontario for a twinning ceremony. Bernard Provencher, mayor of Waterloo, Quebec, informed the people at the twinning ceremony: "If by some magical way we could have all Quebecers experience the hospitality that we have experienced these last few days and do it in reverse and have Canadians outside Quebec visit Quebec then we would not even have this referendum on what we already own".

• (1350)

The two mayors a couple of weeks later exchanged their flags in the Prime Minister's office and stated that they would fly the flags at their respective city halls in the hope that Canada would remain united. The two Waterloos are an example of how communities from across the country need to foster exchanges to promote goodwill and understanding among Canadians. Canada is a miracle we cannot take for granted. We must nurture it, build it and strengthen it.

The distinct society recognition for Quebec which was passed by the House on Monday and the regional veto clause which will be passed tomorrow are federal laws, not constitutional amendments. Constitutional review must take place in 1997. It will be then that the federal government will review the Constitution with the provinces.

Historically, constitutional change has been a point of division among Canadians. It was for this reason that the Fathers of Confederation could not agree on a constitutional amending formula when Canada was founded in 1867. Constitutional amendments tend to bring out regional grievances that test our

mettle as a nation. It is easy for opposition members to criticize, as they can attack everything and be responsible for nothing.

In putting forward the distinct society resolution and the regional veto we did not expect the separatists across the aisle to support it. They want to separate. They want to tear up Canada. Their leader, the Quebec premier in waiting, has already made it abundantly clear that no constitutional amendments will be acceptable to his government.

The neo–separatist Reform Party does not want to support the government's initiative. The Reformers lust after official opposition status. They dream of forming a government in a Canada without Quebec. The Reformers helped the Bloc Quebecois before the referendum and they are helping them now.

We believe the majority of Quebecers and the majority of Canadians will support the government's initiatives. Distinct society and the regional veto are issues that have to be dealt with quickly so the government can focus its attention on the economy and getting people back to work.

Last week the media reported on a CROP poll conducted in Quebec. When Quebecers were asked directly whether the government should focus its attention on the economy or the Constitution, 86 per cent said the economy and only 10 per cent the Constitution. Four per cent had no response. Clearly, Canadians from Quebec and Canadians from the rest of Canada have a lot in common.

In July 1982 Prime Minister Pierre Elliott Trudeau succeeded in giving Canadians their Constitution. He was assisted in his efforts by the present Prime Minister who was then the justice minister. They were both attacked for their accomplishments by the separatists who would tear Canada apart. Mr. Trudeau and the current Prime Minister are distinguished Quebecers who, during the quiet revolution, helped transform Quebec from a society dominated by Duplessis and the church into a modern society, but the separatists questioned their Quebec roots.

The situation reminded me of Sir Wilfrid Laurier, our first French Canadian Prime Minister, who during the election of 1911 set out the frustrations that beset him as he tried to follow the middle path in politics: "I am branded in Quebec as a traitor of the French, and in Ontario as a traitor of the English. In Quebec I am branded as a jingo, and in Ontario as a separatist. In Quebec I am attacked as an imperialist, and Ontario as an anti–imperialist. I am neither. I am a Canadian".

Canada is an example to the world. It is made up of peoples from around the world who have together built a country which is the best in the world.

Vive le Québec. Vive le Canada. Vive le Canada uni.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, I am pleased to have the opportunity to speak on behalf of the people of Okanagan—Similkameen—Merritt and oppose Bill C–110, an act respecting constitutional amendments.

My constituents are proud and eager to have me rise on their behalf to express the anger, outrage and fury over the insult which the Prime Minister and the Liberal Party of Canada have hurled at the Canadian people. The anger, outrage and fury is over the fact that Canadians do not think the federal government's power to veto constitutional changes should be delegated to provincial legislatures. The power to reject or ratify changes to the country's Constitution should be given to only one body, and that body should be the people of Canada. Over and over we on this side of the House and in the ranks of the Bloc Quebecois heard the members of Parliament from western Canada and Quebec yelling at the Liberals to listen to the people. The Liberals just do not listen.

• (1355)

The people of British Columbia, where I come from, are insulted by the antics of the Liberal Party under the dictatorship of the Prime Minister. One morning we wake up and find out that B.C. has not been given the power of veto like the other provinces by the Liberal Prime Minister. This comes right out of the blue. My constituency telephone was ringing off the wall. The mail and fax machine were working overtime and the people were asking what was going on.

Then the Liberals start talking about four regions versus five regions. They are trying to convince Canadians how great a thing a veto is. The Liberals hope Canadians would not understand and the Liberals could hide the fact that they were not giving the people of Canada anything, nothing, zero.

The Liberal Prime Minister became afraid of the people of B.C. like he is afraid of the people of Quebec and so another morning comes along. My constituents wake up and discover the Liberal Prime Minister from Quebec has given B.C. a veto. But it is too late. The people of B.C. saw what the Prime Minister did. He thinks so little of the people from western Canada and he thinks about Quebec, so he inadvertently insulted western Canadians and Canada's most western province.

The people of western Canada know that in the Liberals' proposal under Bill C–110 and under the command of the Prime Minister the federal government is giving the leader of the Bloc Quebecois a consultation prize—no, it is not really a consultation because there was no consultation. It is a consolation prize for losing the Quebec referendum, a veto.

The Prime Minister could be called the Bob Barker of Canada. Quebec spun the wheel and lost but the Prime Minister turned to his deputy and said: "Sheila, tell them what they have won".

It is unacceptable. The people in western Canada know that this is typical of Ottawa and the Prime Minister. Liberal prime minister or Tory prime minister, prime ministers from Quebec make it a habit to give things to Quebec: the CF–18s, military bases, the environmental secretariat, distinct society, all kinds of things. Western Canadians are used to this.

The Prime Minister, because of his lack of understanding of what the people of Quebec want and are saying, brought the nation to the brink of disaster. Single–handedly he nearly smashed Canada to smithereens.

Before the referendum in Quebec the Liberals were told to sit on their ham hands until further notice: "Don't even talk about the referendum". After months the Prime Minister allowed his caucus to discuss the Quebec referendum but only at the very last minute, within days of the people of Quebec taking their trip to the ballot box.

Then the big mistake happens. The people of British Columbia are watching a pathetic speech by the Prime Minister in Verdun, Quebec one night. Verdun is a very cool place, especially for young people. As a matter of fact Montreal boasts the best night life anywhere in Canada. Unfortunately the Prime Minister got carried away. He forgot himself and he forgot his speech. He started to promise Quebec everything.

I am sure the leader of the Bloc Quebecois was very upset. The Prime Minister on behalf of the Liberal Party of Canada started spewing forth a litany of gifts to the political elite, the rulers of Quebec, win, lose or draw. The people of British Columbia changed the channel on the television set because they could not watch it any more. They were insulted.

The next day the people of B.C. got together and commenced a long journey. They have to remind the Liberal Party and the Prime Minister that they exist in British Columbia. They must not be angry or hurt. They have to be diplomatic. We tell the Liberals: "Don't give a veto to the provinces, territories, groups of provinces, premiers, separatist governments, foreign nations, the Ayatollah or anyone else. Give a veto to the Canadian people". The people of Canada deserve a veto. The Liberals do not listen to Canadians.

On behalf of the good people of Okanagan—Similkameen—Merritt, I am proud to stand here today and oppose Bill C–110.

The Speaker: It being almost two o'clock we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

ENDANGERED SPECIES ACT

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise in support of the legislative proposal of the Minister of the Environment for an endangered species act.

In our diverse Confederation there is always a danger of government inaction simply because of the daunting prospect of complex, legal and political negotiations. To get things done someone has to have the nerve and energy to take a firm first step.

In the case of over 250 endangered species that do not know or care in which jurisdiction they live, it is most appropriate the federal government take the lead.

The minister has produced a detailed draft of an act that would protect endangered species. If necessary, I urge that she proceed alone with the legislation to the limit of her jurisdiction. However it is my hope that the provinces and territories will move quickly to join her.

* * *

[*Translation*]

MEMBER FOR CHURCHILL

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, last week, I had the honour and privilege of attending the sacred assembly presided by my colleague from Churchill. Although the themes of this assembly were reconciliation and spirituality, it reeked of politics.

We were quite surprised to read in the hon. member for Churchill's letter of invitation and to hear in his opening speech that the Great Creator was in favour of Canadian unity. The Bloc Quebecois condemned this unacceptable statement on Saturday and wishes to do so again in this House today.

The notion of spirituality transcends politics and the Great Creator has no use for national borders. The next step would have been to come straight out and say that the Creator is a Liberal.

* * *

[*English*]

SURVEYS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, registered voters in my riding were asked if a national referendum should be held on the reinstatement of the death penalty. The overwhelming response from 919 of over 1,000 voters was that a referendum should be held at the time of the next federal election.

In another initiative my constituents are being asked whether Quebec should be recognized in the Constitution as a distinct society. In just two short days my constituents have rejected

such recognition by a margin of 86 per cent. The survey will be ongoing until the end of December.

It would appear that the days of government imposing its will on the people are drawing to a long overdue close and direct democracy will allow them to be heard.

However members opposite need not take my word for it. All they have to do is ask their constituents, that is if Liberal members have the same belief in the values and principles of democracy as do Reform Party members.

* * *

NUCLEAR DISARMAMENT

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, there is increasing concern among Canadians concerned about nuclear disarmament that the Canadian government, despite its official support of various treaties, is not as serious as Canadians want it to be about bringing an end to nuclear testing, about the proliferation of nuclear weapons and about the destruction of existing nuclear warheads.

The post cold war era was to be an opportunity for the world to put behind it the fear of nuclear war. The public has been lulled into thinking that significant progress is being made.

In reality, the nuclear club permits certain of its members like France and China to continue threatening the planet with nuclear testing. This same nuclear club, with which Canada is associated through NATO, also refuses to countenance the significant destruction or elimination of its nuclear capacity, thus encouraging other countries to seek such weapons.

The doomsday clock is being advanced once more. The Liberals need to wake up and show some courage on the issue instead of speaking out of both sides of their mouths, saying one thing at the UN and another thing through NATO.

* * *

THE LATE HARRY CAVERS

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, on December 7, 1995, St. Catharines lost a great Canadian, the hon. Harry Cavers.

Mr. Cavers was born in St. Catharines in 1909. He practised law until joining the Royal Canadian Naval Volunteer Reserve in the second world war, rising from ordinary seaman to lieutenant. After the war Mr. Cavers practised law as a partner in Cavers, Chown and Cairns.

• (1405)

He was elected as the member of Parliament for Lincoln in 1949 and again in 1953. He was the first Liberal elected in the area in 50 years. He was an effective representative of Lincoln for nine years and worked hard to make a difference for the area.

Following his time in the House of Commons, Harry Cavers returned to the legal community as a judge for Dufferin County. A former law partner, Mr. Roy Cairns, has spoken of Harry's fair–mindedness and ability to see both sides of an issue.

St. Catharines has lost an excellent ambassador and elder statesman who served his country well and was an inspiration to all those around him.

Our sympathy is extended to his daughter and her husband, Anne and John Carruthers, and their children, Megan and Meredith.

* * *

NATIONAL UNITY

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise today to address what I believe to be the essence of Canadianism. We are 10 provinces, two territories, numerous municipalities and many neighbourhoods, but above all we are Canada.

We are a nation that shares common values, a nation shaped by the challenges of nature, a nation forged by war but one that has fought for peace. We are people who have developed compassion and understanding for others in society. Most of all being Canadian means understanding that the issue is not whether we get a fair share of the pie but rather that the pie is shared fairly.

If we are to survive as a nation, those blessed by economic advantage must be willing to help those areas not so fortunate. That is the way it should be. I am proud to live in a society that cares for the least advantaged and whose people share their good fortune with their fellow Canadians.

In Canada, that is simply what we do.

* * *

BANK ACT

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, under the 1992 legislation there will be a review of the Bank Act in five years or in 1997.

I have received many calls and briefs from insurance companies in my riding of Lambton—Middlesex that are very concerned, as I am, about the potential changes in the Bank Act that could give the very powerful banking sector the ability to retail insurance from its branches.

While it is important to have a strong banking system in Canada, I do not believe it is right or fair to other sectors of the financial services industry to allow the most powerful sector, the banks, to accumulate strength which would likely turn into a virtual monopoly.

As a government we have already acknowledged that many of the new jobs created in Canada over the last couple of years have come from small and medium size businesses.

Allowing banks into the retail insurance industry could decimate small insurance companies in Canada, many of which are policyholder owned and predominately serve rural communities, like those in Lambton—Middlesex.

* * *

[*Translation*]

CHILDREN AS WAR VICTIMS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, two million children have been killed, between four and five million crippled, and ten million psychologically scarred by the ravages of war over the past ten years.

That is what UNICEF says in its 1996 report released yesterday. Various conflicts around the world have left in their wake some horrifying and monstrous scenes in which children are all too often the victims.

Confronted with this sad finding, Western countries, including Canada, are forced to give serious thought to their moral obligations. For example, UNICEF does not hesitate to blame this sad situation in part on antipersonnel mines.

Yet Canada remains reluctant to destroy its own mines as long as other countries do not do the same.

In the name of these children who are war victims, Canada should lead the way in eliminating these weapons of suffering.

* * *

[*English*]

SENATE REFORM

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, at a time when Canada is overburdened with old ideas and old institutions the government has come forward with far reaching, regressive veto legislation that will etch in stone for all time parliamentary anachronisms such as the current Senate.

The Prime Minister's outdated, outmoded, traditional political practice of stuffing that institution with patronage appointments has loaded this powerful unelected body with partisan failures, flatterers and pleaders of special interests.

Tomorrow I will be introducing my private member's bill that will give electors of a province a vote on who should be summoned to represent them in that chamber. It is absolutely vital that we remove porky patronage appointments from the Prime Minister's paws, if we are to have any true legitimacy in Canada's upper house.

Let us make no mistake. The Reform Party always has been and always will be driving toward true Senate reform, that of an effective, elected and equal Senate.

* * *

• (1410)

WATERTON GLACIER INTERNATIONAL PEACE PARK

Mr. John Loney (Edmonton North, Lib.): Mr. Speaker, Waterton Lakes National Park in the province of Alberta, together with the American Glacier National Park in Montana, was officially designated as a world heritage site by the United Nations educational, scientific and cultural organization during a meeting held in Berlin last week. The name of this new world heritage site will be the Waterton Glacier International Peace Park.

Waterton Lakes National Park protects 528.8 square kilometres of land. The Canadian government established the park in 1895.

It is a great honour for the country that the outstanding universal value of the site has been recognized by the international community. It shares this designation with six other Canadian national sites and with other protected areas in the world such as Australia's Great Barrier Reef, the Equator's Galapagos Islands and Yellowstone.

* * *

INSURANCE INDUSTRY

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I recently met with representatives of the Insurance Brokers Association of Ontario. This association represents over 8,000 licensed brokers plus support staff employed in over 1,100 offices contributing to local economies throughout Ontario.

These small business people have valid concerns about the possibility of chartered banks being permitted to aggressively enter the insurance business. On the surface it may appear to be just two industries in competition over a business segment, but it is much more than that. It is about the survival of many hundreds of small insurance brokerage firms. It is about the survival of thousands of Canadian jobs.

I implore the government not to alter the 1992 legislation which is working very effectively. The banks are raking in record profits. They have moved in on the brokerage industry. Now they want to move in on the insurance industry. What is next? It is time the little guy got a break.

[*Translation*]

QUEBEC'S DISTINCT IDENTITY

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the Conservative leader was quoted in the December 4 edition of *Le Journal de Montréal* as saying: "The Progressive Conservative Party will support the government motion recognizing Quebec as a distinct society within Canada. This is a necessary first step in recognizing Quebec's identity within our federation".

However, the day after our government passed this important motion in favour of Quebec, it is with sadness that the people of Quebec have realized that not all the federalist allies they were counting on were on board.

After so much energy was spent on having Quebec's distinct identity recognized when the Progressive Conservative Party was in office, it is a pity that not one Conservative member took part in the whole debate on this issue in this House.

They could have joined us in taking this major step toward recognizing Quebec within our federation, as the Conservative leader did enthusiastically throughout the referendum campaign.

* * *

AGRICULTURE

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, Quebec's rural regions voted yes in the October 30 referendum. Following that, the federal Minister of Agriculture showed up at the UPA congress and said that he got the message. This is quite the change, considering that the last federal budget dealt a direct blow to the agricultural sector.

Producers are asking that Quebec's programs not be tampered with, and that federal spending in the agricultural sector be spread fairly. The minister has his work all cut out, given that he only spends 10 per cent of his budget in Quebec, that he still managed to close three research centres in the province, including the one in La Pocatière, and that he also reduced dairy subsidies by 30 per cent.

I do not know what gimmick the minister will use to try to prove that Ottawa looks after Quebec's agricultural interests. But I do know that the facts speak for themselves and that agricultural producers are not dumb.

* * *

[*English*]

PENITENTIARIES

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my statement is about this high powered committee consisting of the collections commissioner, parole board chairmen, deputy ministers of justice and the solicitor general's department. They feel there are problems, and these are some of the reasons.

They say that sentences are longer. Is that a problem? They also say that there are more challenging prisoners, the criminally challenged; increased periods of detention; a growing lifer group; an aging prison society; declining parole grant rates; and the toughening of laws.

• (1415)

Perhaps I can help the Liberal government. Why not look for new ways of doing things? Why not look at privatization of a couple of the prisons? What is wrong with double bunking? Why not restrict some of the ridiculous benefits like golf, project bleach, GST rebates for prisoners, prisoner's ability to sue and the ability to refuse work?

If the government does not like that, resign and let someone else with new ideas and courage take over.

* * *

[*Translation*]

QUEBEC'S DISTINCTIVENESS

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the member who, for a while now, has seemingly become a part time opposition leader paid us a rare visit yesterday. Unfortunately, the heir to the throne did not come to Ottawa to help build a better country. Nor did he come to protect Quebec's interests.

The Bloc leader came to Ottawa to lead his troops in the charge against Quebec and its distinct society status. Historians will remind future generations that Quebec separatists were always opposed to the recognition of a distinct status for their province, and that it is thanks to the federal government if such status was finally obtained.

* * *

[*English*]

REFORM PARTY

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Reformers have told Canadians they would restore respect and decorum in the House of Commons.

Imagine the disappointment of Canadians, who believed their promise, following the shameful display of shouting, finger pointing and heckling during yesterday's vote on the Prime Minister's motion.

Canadians are still trying to get used to the idea that Reform's approach to national unity is voting with the separatists. Who could imagine the Reform Party's joining forces with the Bloc? Politics does make strange bed fellows.

We have finally found a promise Reformers have kept. They said they would do things differently in the House of Commons. What they did not say is that it would be different from the promises they made to the people who trusted them. Their idea of different is unacceptable, unequalled and downright terrible behaviour.

Oral Questions

ORAL QUESTION PERIOD

[*Translation*]

REFERENDUMS

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, on the very day the government was boasting of having met its referendum promises by a simple inconsequential resolution on the distinct society, the Prime Minister was busy making unacceptable and antidemocratic statements, claiming that he reserved the right to use any means available to prevent another Quebec referendum.

My question is for the Prime Minister. Now that he realizes that his phoney offers do not satisfy Quebecers, and since he plans to use all means available to prevent another Quebec referendum, are we to take the Prime Minister's words to mean that the only hope remaining to him for winning the next referendum is to make up the rules himself?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the contradiction is immediately obvious. The hon. member says that I want to prevent a referendum, and then he refers to what I will do to win it. Either there will be a referendum or there will be none.

What I said yesterday is that we want a clear question. That is what democracy is all about. We do not need the Bloc to give us any lessons in democracy. As Michel Vastel said not too long ago, "The Bloc is a hereditary monarchy. When it comes down to it, eight people, six men and two women, decided how their leader would be chosen, eight people representing 0.007619 per cent of the total Bloc membership of 105,000".

We need no lessons in democracy from a party accused of all sorts of funny business in the last Quebec referendum.

• (1420)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the Prime Minister wants to play it that way, I remind him that he and his cabinet ministers were guilty of violating the Quebec Elections Act. To talk about democracy and refuse to recognize the results of a democratic vote is really pushing it.

The Prime Minister stated yesterday that 2.5 million citizens should not be allowed to determine the future of a country with a population of 30 million. Does this mean he denies the Quebec people the fundamental and inalienable right to determine their future?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, they have already done so twice. There have been two referendums in Canada in which Quebecers decided to vote to stay in Canada.

All I said yesterday was that the rest of the country has a say in the future of that country. We have twice accepted the results of a referendum in Quebec, and democracy is being denied by those who refuse to take no for an answer.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I am surprised that a politician of the Prime Minister's stature does not understand one cannot stop a people on their way to becoming economically independent.

How can the Prime Minister expect Quebecers to believe him when he says he kept the solemn commitments he made during the referendum campaign, when he changes his tune in English Canada and refers to his own commitments as three little promises of no consequence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the promises I made go back a long way. Unlike the Bloc Quebecois, I voted for Charlottetown and for the distinct society. They voted against it. Since 1970, I have supported veto rights and the Victoria formula. That has always been the position of my party. In fact, I was merely confirming what our party has supported for a long time.

And talking about democracy, again, their leader said on television a few days ago that they were going to take everyone by surprise. And when he was asked: "Do you intend to ask an honest question"? He said: "No, I will ask a winning question".

The only way to win honestly is to have an honest question, a question that everyone understands. In this way, there can be no confusion about the result.

* * *

CANADIAN NATIONAL

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, Paul Tellier has threatened to close the firm AMF in Montreal, if the union refuses to accept the conditions imposed by CN. The union and GEC Alsthom, the company trying to buy AMF, have almost reached an agreement, but CN is blocking any initiative that might lead to a settlement. At stake, let us not forget, are 1,300 direct jobs and 5,000 indirect jobs in southwest Montreal.

In view of the fact that CN's attitude in this matter could end up costing Montreal 6,300 jobs, does the Minister of Finance, who is responsible for regional development in Quebec, intend to intervene in this matter of importance to Montreal, the southwest part of Montreal, in his area, near his riding? Will he bring CN back to its senses?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, my hon. colleague knows that the CN is now in the private sector. We have, however, been trying for months to find a solution for AMF. The CN had agreed to keep the plant open. Negotiations have been very long and hard, but I am confident, given the employees' attitude at the moment, that we will reach a solution.

• (1425)

We will follow this very closely. I know that my colleagues for the greater Montreal area are very interested in this. So are we. I hope that, at the last minute, all those involved in this matter will understand the importance, as the hon. member has mentioned, of keeping the plant in operation with all the jobs involved.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, since the federal policy on rail transport has always favoured western Canada, will the federal government, for once, make CN listen to reason or will it turn a blind eye?

Some hon. members: Oh, oh!

Mr. Duceppe: We will wait—

An hon. member: They do not like the truth.

The Speaker: The hon. member for Laurier—Sainte-Marie may continue with his question.

Mr. Duceppe: I therefore ask the Minister of Finance, who is responsible for Montreal's regional development, if he is still responsible for it or if that is only one of his titles? Will he let Montreal lose 6,300 direct and indirect jobs to Winnipeg?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there has never been any question of the jobs of AMF going anywhere else but where they are.

The question we have been trying to address now for several years, as the hon. member should know, is whether through co-operation between Canadian National, GEC Alsthom and the employees we can keep an operation going in Quebec that has between 600 and 1,300 employees, depending on the level of demand within the shop.

The hon. member would be far better advised if he spent his efforts trying to convince the parties to arrive at an agreement rather than raising the spectre of the jobs going somewhere else. If the jobs are not kept in Montreal at AMF by GEC Alsthom and by CNR they will not be going anywhere else, they will disappear. That would be very unfortunate for Montreal, for Quebec and for Canada.

QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, last night the Prime Minister talked about another Quebec referendum after saying he would not talk about another Quebec referendum. He went on to say: "The Constitution has a lot of powers for the federal government to act under peace, order and good government. We have powers and we have to use the powers to make sure the question in the next referendum will be fair to Quebecers and will be fair to the rest of the country".

Precisely what powers under peace, order and good government was the Prime Minister referring to? Precisely how does he plan to use those to ensure a clear question in the next referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is very important to have a fair and honest question if there is another referendum.

I do not want to speculate on when there will be another referendum because the leader of the Bloc Quebecois said that when he goes to Quebec his priority will be to run a good government and put the province's finances in order. If he wants to do that we will help because we want Quebec to have a good economy.

However, I said that if there is another referendum the question has to be clear. We will not accept any more ambiguity and we will take the necessary steps to achieve that goal.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we have heard all that. However, my question was what powers under peace, order and good government does the federal government propose to use to affect the question in the next referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, he can consult his lawyers. We know what to do.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister got into this discussion by talking about the uncertainty another Quebec referendum would create. These types of comments, saying the federal government has powers to do something about that referendum, and then refusing to explain how and what powers it will use add to the confusion.

• (1430)

I will ask the Prime Minister again: If he knows what he is talking about, how does he propose to use federal powers to effect the fairness of the next Quebec referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, last week the Reform Party had a plan with 20 different points to deal with that.

The question was asked of me and I said that the question of a referendum, if there is another one, is not only for the people of

Quebec to vote on, it is a question for all the people of Canada. I said that very clearly. I said that there are means available to the federal government—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint-Maurice): Mr. Speaker, they are always asking political questions.

I said that the federal government has the obligation and the duty to the people who are going to vote to ensure that the question is clear. We will use the power we have to achieve that goal. Do not worry about that.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister.

Despite the Prime Minister's promise to completely withdraw from manpower training, the UI reform package tabled 10 days ago would introduce five new labour programs. Faced with this announcement, the National Assembly unanimously reaffirmed the Quebec consensus on the need to transfer all federal manpower programs to Quebec.

With the Minister of Human Resources Development scheduled to meet his Quebec counterpart tomorrow to discuss the issue of transferring manpower programs, can the Prime Minister tell us if his minister will have the mandate to discuss the transfer of all manpower matters to Quebec, without conditions or national standards, as provided for in the Quebec National Assembly's unanimous resolution?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member knows that the primary mandate of all government ministers is to help people get back to work, to provide jobs, employment opportunities and to work closely with the provinces, the municipalities, the private sector and all individuals who can be our partners in achieving that mandate.

The Prime Minister made it very clear in his statement that we are withdrawing from the area of manpower training. In the legislation we made it clear that we will be working with the provinces to gain their consent on any measures which would in any way be involved in training. We will work in concert with them as much as possible to develop effective employment measures and partnerships for employment.

I am very pleased to have the initial round of exploratory meetings with Quebec's minister of employment so that we can clarify exactly what is in the bill. Clearly, the Quebec government does not fully understand all the measures, just as the hon. member does not. I look forward to the opportunity to begin a process of good dialogue and good discussion so we can work jointly to help Canadians become employed.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, from the minister's comments, I understand that he will continue to decide which agreements he can sign and negotiate.

Since the distinct society motion tabled by the government is supposed to mean something, can the Prime Minister tell us if his Minister of Human Resources Development has received a mandate to make a distinct proposal to Quebec, which has the largest of consensus on the need to transfer responsibility for all manpower issues?

• (1435)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is seemingly odd and strange that the hon. member for Mercier would be citing the decision by this Parliament to support distinct society when the hon. member voted against the bill. It seems to me that the hon. member cannot have it both ways. She cannot be telling us that we have to respect distinct society when she does not have the goodwill and the resolution to vote for distinct society for Quebecers.

* * *

QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister says that he has the powers and the means to ensure that the next Quebec referendum is fair.

What powers is he talking about? How is he going to use them to ensure the next referendum is fair? If the Prime Minister does not answer those questions, he gives the impression that he does not know what he is talking about or that he is making vague threats. He contributes to the unsettling nature which surrounds this issue.

I ask him again: What powers is he talking about? How does he propose to use them to ensure that the next Quebec referendum is fair?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if anybody is creating confusion in Canada at this time it is the leader of the third party.

There has not been one day since we have been talking about this problem that he has not been in bed with the Quebec separatists. There has not been one day that he does not want to try to make life difficult for a government that is trying to save Canada. There has not been one day that he is not causing some disturbance in Canada because he has no interest in keeping the country together.

He is dreaming. Perhaps he dreams all the time about becoming the leader of the rest of Canada, but there will be only one Canada from sea to sea.

Some hon. members: Hear, hear.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if we are going to keep this country together, it will only occur by providing clear answers to the questions that are being asked. This type of political rhetoric just adds to the uncertainty rather than to the certainty that Canadians desire.

Let me come at it another way. Last month in Toronto the Prime Minister said that he did not want any more referenda and implied that he would use the federal power to prevent future referenda. Last night he conceded that there will be another referendum. He said that he is going to use the federal power to ensure that it is a fair referendum.

Which is it? Is he proposing to use the federal power to prevent another referendum, or is he proposing to use the federal power to ensure that the next referendum is more fair? Which is it, one way or the other?

• (1440)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is purely a hypothetical question. There is no referendum at the moment. The leader of the Bloc Quebecois said he does not want a referendum for the time being. He wants to run Quebec and try to provide good government.

If they were to provide good governance in Quebec, of course the rest of Canada would be very happy and we would help them. At the moment I repeat, if there is another referendum, the question will be clear, do not worry about that. I will make sure it is very clear.

* * *

[*Translation*]

TOBACCO PRODUCTS

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

Yesterday, the Minister of Health made her intentions known regarding advertising and sponsoring by tobacco companies. Contrary to all expectations, the minister's plan will considerably exceed the scope of the legislation that the Supreme Court invalidated just three months ago.

Does the minister not realize that, with her clumsy measures, she is pushing cigarette manufacturers to put an end to their voluntary moratorium on advertising and to resume advertising tobacco products without any constraints?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, when I met with tobacco company officials not too long ago, before making this announcement, they told me they were preparing to start advertising again as of January. So, there was going to be advertising one way or another.

We definitely want to exercise control over this advertising because, as you know, cigarettes are harmful to the health of Canadians. Companies are always looking for new customers and these are often young people just taking up smoking. We will make every effort to prevent young people from starting to smoke, and this is a step in the right direction.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, does the minister realize that, by taking action without first consulting the Supreme Court, she could drag us once again into a judicial saga that will cost us $7 million at the very least and all for nothing?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, it surprises me a little bit that the health critic for the Bloc Quebecois is more interested in protecting the tobacco companies than in working with us to ensure that we have the toughest and best legislative package possible, having taken guidance from the supreme court ruling.

* * *

QUEBEC REFERENDUM

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, even the Quebec Liberals oppose any use of federal power to disallow a future referendum if the question is unclear. The Quebec Liberals said that. Today, Quebec Liberal constitutional critic Jean Marc Fournier said: "The Prime Minister should have more confidence in the good judgment of the people of Quebec".

The Prime Minister now says that the question will be clear. How can he guarantee that the question will be clear? What powers is he prepared to use?

Right Hon. Jean Chrétien (Prime Minister, Lib.): If everybody in Canada and in Quebec wants a question that is clear and everybody wants to work to that goal, we will achieve it. We will have to make sure that the question is clear. There will be enough pressure on the government to achieve that. I repeat that the next time the question will be clear and the people will know exactly what they are voting on.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Prime Minister says that we are not to worry about it. The country is worried sick about the obsession the government has had week after week after week after the referendum. The point is we want to get on with jobs. The point is we want to get on with looking after the economy, but this Prime Minister has forced the House to be obsessed with this problem.

Plain and simple, why does the Prime Minister not cut his national unity losses, go back to the drawing board and consult Canadians in a nationwide referendum? If he has the faith in the Canadian people, why will he not consult with Canadians and the premiers, not just some of these people here?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we hope that some day the Reform Party will try to work with the rest of Canada to make sure that Canada stays together. That type of attitude is not helpful at all for the unity of the country.

* * *

• (1445)

[*Translation*]

THE CONSTITUTION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister.

Given the Prime Minister's answers to our questions and to those of the Reform Party leader, we realize that he does not know how to stop the constitutional circus that he put on the road a few weeks ago. Six weeks ago, according to the Prime Minister, Quebec was his homeland. One week ago, Quebec no longer had a culture and, since yesterday, it is no longer entitled to democracy.

Are we to understand that, in order to save his skin in the rest of Canada, the Prime Minister is prepared to do anything, even to threaten Quebecers with using everything within his power to keep them from achieving sovereignty?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not very complicated. I simply asked the Bloc Quebecois and the Parti Quebecois to be honest and to say that they want to separate from the rest of Canada, pure and simple. They have the answer.

Some hon. members: Oh, oh.

Mr. Chrétien (Frontenac): The Bloc Quebecois is very honest.

The Speaker: Dear colleagues, I ask you to choose your words very carefully. We should never question honesty in this House. Therefore, I would appreciate it if members would avoid using that word during question period, with the connotation given to it today.

As you know, some words tend to trigger a strong reaction. Consequently, I ask the Right Hon. Prime Minister to avoid using the word honesty with that connotation.

Mr. Chrétien (Saint-Maurice): Mr. Speaker, I said that they should ask a clear and honest question. They will be the ones asking the question. All we want is a very clear question, not one that tries to include all sorts of conditions to get people confused to the point where they do not know whether they are voting for or against separation. All we want is a clear question. If they want a suggestion, here is one: "Do you want to separate from Canada?" This is very clear and everyone will understand. There will be no problem. However, they know that they will lose if they ask a question like this one.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, should the hard line towards Quebec announced yesterday by the Prime Minister not be seen as a metaphor for his entire career, in other words, as consolidating his base in Canada while trying to crush Quebecers?

[*English*]

The Speaker: The question in and of itself is giving motive to why one person is acting one way or another. A question should be straightforward rather than asking or implying motive.

The question as it is stated is out of order. If the right hon. Prime Minister wants to answer it, fine; if not I pass from there.

[*Translation*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I will reply, because they do that all the time. If you happen to be from Quebec and you believe that Quebec's future is within Canada, they brand you as a traitor, but the fact is that French was able to survive in North America because of Canada.

* * *

• (1450)

[*English*]

THE ECONOMY

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, recently the dollar went down and the interest rate went up substantially. This is not exactly a ringing endorsement of the finance minister's proud announcement that his deficit elimination plan is on track.

Will the minister admit that drifting targets are not enough, that overspending $4 million an hour is too much and that markets and future generations of Canadians want him to do better like, for example, the eight provinces whose finance ministers he will meet tonight?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member knows full well the reasons for the volatility in Canadian currency markets in terms of interest rates has an enormous amount to do with speculation of what action the fed is going to take and what action a number of the European central banks is going to take. The hon. member knows it.

It is a tribute to the budgetary action taken by the government that the spread between Canadian interest rates has narrowed as much as it has.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the provincial finance ministers are complaining, with much justification, that the government has cut them more than it has cut other federal spending. This is a typical Liberal

approach to dealing with problems: Shift the burden, let someone else take the blame.

Will the minister cut other federal spending more, not just to restore harmony with his provincial counterparts but also to send the right signals to capital markets?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, when reductions in transfers to the provinces by the government were made, unlike previous governments there was a lengthy period of notice given. The fact is that we cut the provinces less than we cut ourselves. It was less than 2 per cent of provincial revenues.

If the hon. member will take a look at the Fiscal Monitor which came out today he will notice that program spending by the government is down and transfers to the provinces are up.

* * *

CHILD TAX BENEFIT PROGRAM

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, my question is for the Minister of National Revenue. Under the child tax benefit program Revenue Canada's responsibilities are to calculate the amount of each benefit, maintain each account and respond to inquiries.

Revenue Canada now has the added responsibility of determining who is entitled to the benefit. Can the minister explain to the House how this change has improved the child tax benefit program?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, before I respond to the question may I thank the hon. member for her consistent endorsement and championship of the problems and rights of children.

In response to her question, the integration of the program in one department is allowing us to maximize the efficiency and to improve our client services in a number of ways: first, by processing the child tax benefit applications at one stage instead of as was formerly the case; second, by eliminating the duplication of databases and the weekly transfers of information that previously took place between two departments; third, by simply reducing program costs; and finally, by providing clients with a single point of contact.

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[*Translation*]

RADIO CANADA INTERNATIONAL

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

On the weekend we heard that the federal government was preparing to shut down Radio Canada International. According to reliable sources, cabinet was to ratify this decision without waiting for the conclusions of the Juneau report which was to examine the mandate of the CBC.

Could the Minister of Canadian Heritage tell us whether he recommended or intends to recommend that cabinet change the mandate of the CBC, so as to cut the services of Radio Canada International, before the Juneau report is even tabled?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): No, Mr. Speaker.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, that was short and sweet.

Since the government accepted the recommendation by government members of the foreign affairs committee to make every effort to fully develop the potential of Radio Canada International, what explanation does the minister have for this alleged about–face?

• (1455)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, there is no about–face. I have said in this House that the future of the CBC would be considered by the government in the course of a review of its mandate. We are waiting for the results of a study of the CBC's mandates made by a special committee. And we intend to determine the future of the corporation within that context.

* * *

[*English*]

THE ECONOMY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, a minute ago the finance minister made the absurd statement that somehow the government has cut more of its spending than it has cut transfers to the provinces. I point out that it did back flips to preserve Liberal pensions and the finance minister led the charge in that whole argument.

The people who have been showing leadership in the country are those in the provincial governments. The only leadership this minister has shown is in defending his interests.

Will the finance minister commit to taking a page from the book of the provinces? Will he balance the budget and will he hold out the hope of tax relief for ordinary Canadians who actually pay taxes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, surely there ought to be some connection between the preamble to the question and the question itself.

The hon. member knows that the government's objectives are to eliminate the deficit. It has pursued a very clear track of deficit elimination. It has bettered its targets every time, which is the first time in a long while that that has happened in this country's history. It is focused on the preservation of social programs and on job creation.

The government is not going to throw the fabric of the country away because of any narrow fiscal ideology as expressed by the members opposite.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the fact is job creation has stalled in the country. The fact is the government is being forced to cut into social programs because the interest on the debt is undermining those programs. The fact is that the provinces are leading the way.

Will the Minister of Finance take a leadership role for a change, go to the conference today and tell the provinces that he is going to undertake to do what they have done and begin the process of balancing the budget? Will he ultimately hold out some hope to Canadians that there will be some tax relief, not in the 21st century but in this century?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the history of the last decade in this country and its deficit projections have been one of missed target after missed target.

Since the government took office, not only has it hit the targets, but it has bettered them. That is very clear. Rounding off the numbers, when the present government took office the deficit was at 6 per cent of GDP. Then it went down to 5 per cent, next to 4 per cent, then 3 per cent and then 2 per cent. That is a pretty clear track and we are going to take it all the way to zero.

* * *

NATIONAL ABORIGINAL DAY

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

Last week aboriginal spiritual leaders and elders, representatives of many churches and faiths, political leaders, youth and ordinary Canadians gathered in Hull for a sacred assembly. The assembly asked for a national aboriginal day to recognize the contribution of the aboriginal people to this country and to celebrate a distinct people which has thrived on this land for thousands of years.

Does the minister support a national holiday to recognize the tremendous generosity and contributions of the first peoples to this country?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I did not speak with clarity yesterday but I hope to today. I support the efforts to make June 21 aboriginal solidarity day.

This was put forward as a vision by the national chief on behalf of his people. We talked about reconciliation, a day when aboriginal communities can celebrate themselves and their contribution. They can organize festivities.

• (1500)

This vision was approved by his people, the grand chief and his assembly, by all the spiritual leaders who were there, not only the native spiritual leaders but the spiritual leaders from the Mennonite church, the Anglican church and the Catholic church, every church, and by this minister.

* * *

[*Translation*]

TAXATION

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance.

On January 1, the Minister of Finance intends to go ahead with a plan that dates from 1991 and has been repeatedly postponed. It involves limiting the deductibility of provincial taxes on capital and payroll from federal income tax. Implementing this proposal would penalize business in Quebec especially, because Quebec takes half the taxes that would be affected by the federal measure.

Will the Minister of Finance agree once and for all to do away with the plan to limit the deductibility of taxes on capital and payroll from federal income tax, a plan that would hit Quebec business hard?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the member is aware, this measure hits a number of provinces. The member also knows that, when I was in his place, I asked the same questions and had the same view as opposition critic.

It is certainly our intention to resolve the issue, but we want to resolve it as part of discussions on all taxation measures between the provinces and the federal government.

* * *

[*English*]

CORRECTIONAL SERVICES CANADA

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have just received what Correctional Services Canada calls its latest amended version of the commissioner's directives. I quote from that document: "Overtime shall only be awarded where no other reasonable alternative exists". This is in prison.

Would the Deputy Prime Minister confirm whether this ridiculous policy still remains on the books or whether if a parolee is sent back to jail he somehow qualifies for time and a half?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member has informed us of the information he has just received. Therefore for the benefit of members concerned I will take this under advisement. I am sure the minister will answer him appropriately.

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WEI JINGSHENG

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Tomorrow the Chinese government will be trying leading dissident Wei Jingsheng, the winner of the 1995 Olaf Palme Award, on charges that could lead to the death penalty.

I ask the minister to tell the House what steps the Liberal government has taken to protest this rushed show trial? He was given five days notice of this trial. Will the minister assure the House that the Canadian embassy in Beijing will send a senior representative to monitor this trial tomorrow?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I assure the hon. member we will investigate this situation. Our official in Beijing will act according to the spirit of Canada which has been never to hesitate to speak out on behalf of human rights, particularly in China.

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PRESENCE IN GALLERY

The Speaker: Colleagues, today it gives me great pleasure to introduce a very select group of Canadians. Because I want to join you in applauding them, I ask that you wait until I have introduced all of them.

I want to introduce your very own Canadian space heroes, our first Canadian mission specialist, Major Chris Hadfield, his wife, Helena, and the following astronauts from the Canadian Space Agency Astronaut Corporation: Dr. Steve MacLean, Mrs. Julie Payette, Dr. Dave Williams, Dr. Marc Garneau, Mr. Bjarni Tryggvason, Dr. Robert Thirsk.

Some hon. members: Hear, hear.

• (1505)

[*Translation*]

The Speaker: Dear colleagues, this is a very special day.

[*English*]

I invite all hon. members, if their duties permit them to attend, to Room 218, the Speaker's salon, where I will be holding a reception for our astronauts, who have made us so very proud.

Mr. Charest: Mr. Speaker, I rise on a point of order. There has been some comment on votes taken in the House. I want to make it clear, if only for the record, that with respect to the votes taken yesterday I would have voted against the amendments and in favour of the resolution.

With respect to the vote that will take place tomorrow, for which I will be absent, I would vote against—

The Speaker: That is not a point of order.

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WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of a ways and means motion to amend the Income Tax Act, the Excise Act, the Excise Tax Act, the Office of the Superintendent of Financial Institutions Act, the Old Age Security Act and the Canada Shipping Act. I ask that an order of the day be designated for consideration of the motion.

GOVERNMENT ORDERS

[*English*]

CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of Bill C–110, an act respecting constitutional amendments, as reported (without amendment) from the committee; and of Motions Nos. 1 and 2.

• (1510)

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I rise to speak on Bill C–110, part of the unity package by the Liberal government and the Prime Minister, which appears has created more disunity than any recent package.

As minister Petter from British Columbia recently said, it not only fails to promote national unity but it has impaired national unity, a position with which I heartily agree.

In the north, in particular Yukon and Northwest Territories, and I hope my colleagues from Western Arctic and Nunatsiaq will speak up on this issue, this bill will make it even more difficult for the creation of new provinces. I find it difficult to understand why those two important members of the Liberal government would not be speaking out strongly against this proposal.

The west, as we know, feels alienated. Quebec says no. Clearly this bill is not creating unity. As has been said recently, when you have painted yourself into a corner, you walk out on the paint. The Prime Minister has really walked out on the paint in this case. The footprints are causing reverberations right across Canada. They are not reverberations of unity but of discontent with the actions of the government prior to the referendum in Quebec and with its actions to address issues since then.

I will talk about three issues: the purpose of this bill, the process surrounding this bill and the other two aspects of this package, and the content. As good New Democrats always do, I will give some specific suggestions to what should be done with this bill.

I have listened very carefully to various members who spoke before committee, in particular the Minister of Justice, about why it was important to have this bill. I am left wondering whether there has been someone out there hiding behind a rock, excuse the expression, waiting to leap out and spring some kind of constitutional proposal on us that somehow the federal government has to be protected against and enshrined in legislation such as Bill C–110 so it will know what to do. Maybe that is one purpose, but it was something that was certainly a surprise to most of us.

Bill C–110 instructs the government on how it will use its power to accept or not accept constitutional amendments. It does not change the Constitution. Therefore that was obviously not the purpose of the bill.

The leader of the Liberal Party in Yukon, always with constructive comment, said in the Whitehorse *Star* of December 5 that the Prime Minister is trying to fulfil his promise of coming up with a plan that will satisfy the people of Quebec. He clearly has not done that.

What could be the other purpose? The Minister of Justice said in committee hearings: "This bill is just a bridge to the April 1997 constitutional conference on the amending formula. It can be changed. It is just in place temporarily". Again, we have to ask why. If it is there temporarily, it is satisfies no one, what is the real purpose?

The leader of the New Democratic Party, Alexa McDonough, called this constitutional package a fly by the seat of its pants response to yesterday's polls and today's editorials. That about sums up the purpose of this package, in particular this piece of legislation under discussion today.

The Minister of Justice said in terms of purpose that Quebec is acting and so we have to act. I guess by that sense of logic if someone decides to leap off a building, they will decide to leap off a building. There does not seem to be any comprehensive reason for this package other than for the Prime Minister to save face. He has not succeeded. It is a heck of a way to run a country if the government and the Prime Minister are simply putting proposals forward to keep a promise. These proposals do not keep that promise and they alienate not only the province to which they are destined but the other provinces and territories.

• (1515)

What about the process? There was no consultation with provinces, territories or aboriginal people. Apparently there was no obvious consultation even with members from British Columbia on the Liberal side.

It is fair to say that the process generally in place for constitutional discussions was totally circumvented. Those of us who have been a part of many constitutional endeavours in the House know how difficult it is and are empathetic to it. However, no process is not a substitute. No process is no democracy. That cannot be the essence and principle on which constitutional change is made.

The Prime Minister said that he responded to British Columbia, that it would now have the veto it requested. He added in a recent television interview that he knew the country well and had travelled it for 32 years. If the Prime Minister knows the country and the people so well, why does he not listen beforehand rather than act in an ad hoc manner?

I have to say, because I want to be fair to the government, that there was not a complete lack of consultation. In the same article of December 5 in the Whitehorse *Star* the president of the federal Liberal association is quoted as saying that she received calls from the prime minister's office and was reassured that changes would not be a hindrance to Yukon. The president went on to say that she felt very reassured after speaking with officials from Ottawa.

I would only say it should be so easy. If we have Canadians and members of the Liberal Party in other parts of the country who simply by making a phone call to Ottawa can be reassured by the Liberal government that everything they are doing is fine and there is no worry, I have to say we are in big trouble.

To the people of Yukon and elsewhere I say that a simple reassurance will not do it. It has not done so in this package. It has not done so in Bill C–110. Clearly the Minister of Justice has difficulty defining for Canadians and members of the House what purpose it will actually serve. The process was clearly not respected in any way in the development of the legislation.

In terms of process, the Liberal Party brought in closure on debate. It is something we have great difficulty with because we feel in a democratic system everyone should have an opportunity to speak. Although my party and I did not support closure, in this case I suppose the Liberals are only talking to themselves anyway. We have to wonder how serious that will be.

Now I will refer to the content. How does Bill C–110 relate to section 38 of the Constitution? That is the real question. Section 38 talks about the amending formula of seven provinces with 50 per cent of the population. This legislation would require over 80 per cent of the population to make change. It is clearly a very different intent from the actual Constitution.

The Minister of Justice says that it does not matter, that it is only temporary. Again I ask if there is someone out there lurking, wishing to spring something on us, from which we have to be protected. Why can we not have a process that people are involved in, with full consultation involving all the provinces, territories and aboriginal people?

We ask whether the formula being proposed under Bill C–110 will be the position of the federal government in the talks in April 1997 on the Constitution and the amending formula. The government has been very unclear about that and has not committed at all to what it will do.

In the generosity of spirit for which my party is known I should like to make some recommendations. The first one is to withdraw the bill. It is ill advised. It is not achieving any objective. The process has been illegitimate and the content does not address the real issues of Canadians today.

The second one is to undertake consultations with the provinces, the territories and the aboriginal people to reach a consensus.

• (1520)

The third and most important one is if the bill is simply for the Prime Minister to save face and to be seen to keeping his promises, he should keep his promises and create jobs. Last month 44,000 Canadians lost their jobs. If the Prime Minister wants to keep his promises, he should create jobs and help the youth to participate in the economy. The participation rate of youth in our economy is the lowest in 20 years. He should put in place the 50,000 child care spaces promised by the Liberal Party and ensure cash transfers are maintained so that the national health care system is preserved.

In other words, unity will be achieved by what we do to ensure economic security, safe communities and the rights of Canadian citizenship, which surely must mean good health care, jobs, security for the elderly and the eradication of child poverty. Instead of trying to devise formulas for 50 ways to say no, the Prime Minister must create unity by creating a country in which every Canadian wants to say yes.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, it is with considerable interest that I rise this afternoon to speak to Bill C–110 concerning a veto for Quebec.

You are aware that, during the referendum, the Prime Minister spoke of major change and promises. What is odd is that immediately after the referendum, the Prime Minister is saying he made little promises and that he has just acted on his little promises.

As regards Quebec's veto and the concept of distinct society, it would be a good idea perhaps to remember that the people of Quebec have a motto, which is: "Je me souviens", or "I remember". We often have to remind the Prime Minister of Canada, a Quebecer himself, to remember a little bit of Quebec's history. We must also remind Quebecers that they have a history that they must never forget.

Quebecers have been claiming rights and privileges that are theirs since Confederation, when they were misled. This Confederation was decided on without Quebecers being asked for their opinion, without a referendum, probably with the help of a few Quebecers who were richly rewarded afterwards. Between 1936 and 1940, Mr. Duplessis was already saying that, of course, Quebec had to "repatriate its booty". The Union nationale, a party of Quebec nationalists, was created as early as 1936. Mr. Duplessis managed to stay in power for almost 20 years by repeating that the federal government must not be allowed to encroach on Quebec's jurisdiction. Then, in the 1960s, Mr. Lesage was elected by talking about being "Masters in our own house".

You must remember that these slogans were very important; Mr. Lesage, a former deputy minister in Ottawa, came to Quebec City after realizing that Quebec was being taken for a ride. He led the Liberal Party to power with a slogan that went like this: "Masters in our own house". A little later, Mr. Johnson senior became Premier as leader of the Union nationale by calling for "Equality or independence". In 1976, Mr. Lévesque won the election on a sovereignty–association platform. As you can see, this is nothing new.

• (1525)

I wish to point out today that this is nothing new and that the Parti Quebecois and the Bloc Quebecois are not the only forces behind the recent referendum. It has a long history. In 1980, Mr. Lévesque lost his referendum because of Mr. Trudeau's promises that they would patriate the Constitution and amend it in line with Quebecers' legitimate needs.

Again, this promise was not kept, since the Constitution was patriated and amended without Quebec's consent. This is somewhat reminiscent of the Prime Minister's promises in the last referendum.

I was elected here for the first time in 1984 with a mandate for national reconciliation. We wanted to reconcile all that. From early 1985 all the way up to 1987, we worked very hard on what was called the Meech Lake project, which met with the provincial premiers' approval in 1987. But since it had been decided that the consent of seven provinces representing 50 per cent of

the population was required to amend the Constitution, consent had to be sought. The provinces were given three years to approve the agreement signed by the premiers in 1987.

You will recall that, in 1990, the Meech Lake accord was rejected, by English Canada in particular, once again with the support of the current Prime Minister, who made every effort to have it fail, in co–operation with premier Wells of Newfoundland and Ms. Carstairs, who was leader of the Liberal Party in Manitoba at the time and has since been appointed to the Senate. She was rewarded for doing that.

All this to show that, once again, the current Prime Minister was against it, because his only goal at the time was to become the next Prime Minister of Canada. He made every effort to ensure that the Meech Lake project fail because, had it worked, it would has been to the credit of the Conservatives. Since they could not allow that to be, the current Prime Minister, then preparing to become the leader of the Liberal Party, did his best to have this project fail, so that he could have a chance of becoming the Prime Minister of Canada. That is what we must bear in mind.

When the Meech Lake accord failed, they panicked, wondering what to do. That is when the commissions started, the Castonguay–Dobbie commission and all the others. There was also Keith Spicer's travelling commission. That cost us millions. At the same time, Quebec got into the act and established the Bélanger–Campeau commission. That was the most serious exercise ever conducted in Quebec since Confederation.

More than 600 briefs were submitted to the commission. Over 200 witnesses were heard, and 55 experts were hired by the Quebec Liberal government of the time. The commission came to the conclusion that, to thrive and grow, while also preserving its culture and its language, Quebec needed greater powers, more than 20 real powers, to achieve its destiny as a nation.

During that period, as I mentioned earlier, the Castonguay–Dobbie and Spicer federal commissions were working on a project called the Charlottetown proposal. A referendum was held in 1992 and, unfortunately, the project was still not quite complete. It was called a draft and it was truly that.

• (1530)

In spite of all that, English Canada turned down the proposal because it felt that Quebecers would be getting too much. As for Quebecers, they felt that they would not get enough. So, everybody voted against the proposal, though not for the same reasons.

As you can see, it is not possible to reach an agreement. There are two irreconcilable views in this country that must be acknowledged. Following that referendum, Quebecers elected a sovereignist federal party, the Bloc Quebecois, in 1993. Out of 75 MPs, they sent 53 Bloc members to Ottawa. Let us not forget that. Then, the following year, another sovereignist party, the Parti Quebecois, was elected in Quebec. Finally, a Quebec referendum was held in 1995. This is when the Prime Minister promised major changes. But now he comes up with minor changes and he has the nerve to say: "Here are the small changes I promised you". However, during the referendum, Quebecers were led to believe that there would be major changes.

Unfortunately, we lost that referendum. However, 49.4 per cent of Quebecers supported sovereignty. The two sides were literally neck and neck. Sixty per cent of Quebec's French speaking voters supported sovereignty, but this is not enough to achieve our destiny.

As I said, in 1980, Mr. Trudeau promised major constitutional changes. Quebecers believed him, but he did just the opposite of what he had said. In the 1995 referendum, the current Prime Minister also promised major changes. Everybody was expecting great constitutional amendments. But instead, all we get are not even amendments, just a House of Commons bill, Bill C–110, which gives Quebec a veto and recognizes Quebec as a distinct society. This is a far cry from constitutional amendments.

We know full well that a bill can be amended at any time. Even the present government could amend this act tomorrow morning, next week, next month. The Liberal government could be replaced and its successor could decide to change this constitutional amendment. This does not mean anything. This is an affront to the people of Quebec.

Moreover, five regions are given a veto: British Columbia, the western provinces, Ontario, Quebec and the maritimes. A veto for Quebec would mean, for instance, that Quebec has a veto on account of it being a people who is a minority in Canada. The Quebec people must have a veto. But if it is also given to everybody else, it does not mean anything any more.

The Prime Minister is once again trying to deceive Quebecers, to trick them. He keeps on repeating: "We want to give Quebecers a veto, we want to recognize Quebec as a distinct society". But at the same time, he does not mention that he is giving a veto to the others.

Essentially, what this really means is that the Prime Minister and the Liberal Party have decided that there will never be any constitutional amendment. By giving a veto to five regions, you make sure that there will always be a region which will not agree to the amendments put forward by the federal government or somebody else. There will always be obstacles and the Prime Minister is deceiving the Quebec people by trying to make them believe that they are being given veto power. By giving veto power to everybody he is not willing to amend the Constitution. It is as simple as that.

• (1535)

It is a trap and I am telling Quebecers that the Prime Minister and the Liberal Party of Canada are trying to deceive them. If we are voting against this veto power and against this distinct society it is because it is a trap set for Quebecers. I want to say that clearly to Quebecers today.

It is an insult to Quebecers and they should remember the little story I just told, because we tend to forget it.

At the present time, what the Prime Minister is doing is making fools of Quebecers. He believes they are not too bright. He seems to think that Quebecers have a short memory.

I remind the Prime Minister and the Liberal Party that in Quebec the motto on the license plates is "Je me souviens", I remember. I often tell my constituents: Never forget to look at the car in front of you, its license plate probably says: "Je me souviens". We should remember our history, it is not that long. If we do, maybe we will not be duped so easily.

During the last referendum, people in English Canada panicked because polls were saying the yes side was leading. They were totally panicked. Why? Because the Prime Minister of Canada had made these people believe that there was no danger whatsoever that Quebecers would ever vote for sovereignty. Yet, it was close. It was very close and I find it regrettable that the Prime Minister had concealed the Quebec reality from the rest of Canada.

Mr. Speaker, you are indicating that my time is up. Is it, really?

The Deputy Speaker: It is the Chair's fault; your time was up four minutes ago.

Mr. Leblanc (Longueuil): Thank you very much, Mr. Speaker. I would have a lot more to say, but I think that what I just mentioned will certainly enlighten Quebecers.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the more I hear from the government, and from the Bloc Quebecois and its leader, it begs the question: Why are we wasting time trying to fix the problems of Confederation in Quebec when the leader of the Bloc, the heir apparent of the separatist Parti Quebecois in the province of Quebec, has stated that he will not accept anything that is done? Why not get on with fixing the problems that affect all of Canada, including Quebec? When the Government of Quebec is ready to sit down at the table and discuss its concerns, that is the time to do fine tuning on Quebec's specific problems.

Let us look at our humble beginnings in this country. What is now Quebec and Ontario was thought of as the main part of Canada. The rest was looked on as the colonies. The Atlantic region was mainly considered an east coast access, the prairies as farm country and British Columbia as west coast access. Each outlying region was expected to harvest its raw materials or produce and send it to the centre for processing and consumption. It was not until the 1930s that the prairies gained control over its oil and gas reserves.

The government of the day primarily represented central Canada and concerned itself mainly with the issues of central Canada. The rest of the country was simple, underdeveloped and relatively unconcerned with the concentration of power at the centre core. That was notwithstanding the fact that there was a certain reluctance on the part of many people in British Columbia to join Confederation. It was not until late this century that Newfoundland on the opposite coast finally agreed to join Confederation.

Overall this worked acceptably but times change. Consider how the average family operates. Within that family there are certain rules by the head of the family, by a parent laying down rules that are appropriate for the time and place of that family. As the younger members of the family become teenagers, if the parent group continues to treat them like preschoolers, there will be a lot of resentment and problems within that family.

• (1540)

As those teenagers grow into adults, as times change and as evolution takes place in their personal development, it will be time for them to move on and become adults in their own right, to stand on their own. If the rules of the family have grown with them and been proper and reasonable, then there will always be close family ties and there will be an interdependence and relationship between family members. However, if the head of the family is unyielding and unreasonable, then the younger family members will flee the family, never to be a part of it again. This is a very fitting analogy to view the way Canada is going at this moment.

Quebec is distinct. No one could or wishes to dispute that. However, the Atlantic provinces are distinct in their heritage and culture. The prairies had a much harder struggle for survival and development than central Canada. That makes them unique, or as the popular buzzword goes today, distinct. British Columbia is geographically and culturally distinct from the rest of this country. Perhaps the most distinct of all is the territories. Their unique geography and climate sets them apart from the rest of the country. It takes a special kind of person to develop the territories and those people and their area are unquestionably distinct.

The only way the concept of a distinct society can be dealt with fairly is to recognize that all of Canada is made up of a collection of distinct societies, each with its merits. Saying this does not diminish the uniqueness of Quebec's language or culture but no province, territory, region or group should have any special powers not bestowed on the others.

Each of the provinces should have more autonomy to deal with its needs. Most of what Quebec apparently wants should be granted to all provinces. When the federal government finally realizes that not only the 19th century is gone but most of the 20th century as well, perhaps it will start to deal with the needs of the 21st century. It is time to realize that Canada is no longer a central core with supporting colonies on either end.

The whole concept of a constitutional veto is wrong. What is needed is constitutional ratification which is now in place with the seven and fifty formula. The current veto legislation is a knee jerk reaction from a government that felt it needed to do something and frankly did not know what to do.

First it was a veto for Quebec. When that did not sell, it added in the provinces and regional concept. Still no sale, so the government tinkered a bit more. As it now stands there are senior provinces and junior provinces. Reform's position has always been that if there is a veto it is the people of the various provinces or regions that should have it.

When the government first came forward with its ill–conceived veto idea, it could not have gotten it more wrong if it tried. Sometimes I think it probably did try. First and most important, it provided this veto to the regional governments instead of the people. Second, it did not even know the proper concept for the regions. Belatedly it tried to correct its error on the real number of regions but in so doing it continued to provide vetoes to governments instead of the people.

Imagine the horror of people right across this country: a veto on the Constitution in the hands of a separatist government. Bill C–110 is not a unity bill. It is a disunity bill.

The Prime Minister thought he could get away with his standard strategy during the Quebec referendum. That strategy is to do absolutely nothing. What the heck, it has kept the government artificially high in the polls ever since the election so why not continue? The swing to the yes side leading up to the referendum provided the answer to that. The Prime Minister's lack of leadership, which had worked so well for him in the past, proved to be a problem which almost cost us the country.

His continued lack of a real plan and his unwillingness to deal with the real problems may yet destroy the country. For too long divisiveness has been a great problem in Canada: English versus the French, aboriginal versus non–aboriginal as well as cultural issues.

• (1545)

Instead of working to resolve the differences and making all Canadians equal, the government has worked on the basis of divide and conquer. It seems to believe that only where there is confrontation is there a real need for government. It is time for the government to realize that it is not the solution and in fact is the problem.

This latest bill by the government, often referred to as something drafted on the back of a napkin, follows the old divide and conquer philosophy. However the government is losing its ability to conquer. When that happens, all that is left of the old formula is divide.

The Bloc Quebecois and Parti Quebecois are really one and the same. They must be taking a secret delight in the government's latest faulty strategy. Both of them want to break up the country at any cost and the Prime Minister is playing right into their hands. The country's problems cannot be solved by playing one problem against another, and that is exactly what Bill C–110 does.

The Prime Minister knew that offering a deal to Quebec alone would not be accepted so he included another province, Ontario. When that did not appear to be working he added one more, British Columbia. When Alberta protested he suggested that it effectively had a veto over the rest of the prairies by virtue of its population mass.

Indian versus white, immigrant versus citizen, English versus French, east versus west, and now province versus province. When will the government wake up and realize that it is not saving or protecting the country but is destroying it?

Bill C–110 is not the answer to the country's problems. It is a symptom of the problems. Not only should the bill not be passed, it should not even be voted on. If the government had any integrity at all it would withdraw the bill and proceed instead to a process of decentralization.

Not only will I not be supporting the bill, but as a member of Parliament from B.C. and one who has certain unquestioned loyalties to my home province I will also vote against the amendment to give B.C. a veto. To do otherwise would be providing an indication of endorsing a nationally unacceptable concept.

Instead of the continuing policy of divide and conquer, it is long past time that the government started practising a new policy of equality of all people and provinces in Canada. It may be a bit much for me to expect it. However it is Christmastime. Maybe miracles still happen. What a Christmas present it would be for Canada if it happened now.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, today, we are rushing through debate on Bill C–110, an act respecting constitutional amendments.

I say rushing, because, as you know, the Liberal government has been attempting in the last few days to speed up the political process to ensure speedy passage of Bill C–110.

Let us first take a look at the general context of this real crab trap the Prime Minister got himself caught in, according to some analysts, and we certainly agree with them.

A few days before the October 30 Quebec referendum, the federal Prime Minister, driven by panic, made an about–face and promised major changes to Canadian federalism. So, in early November, he created two committees made up of federal ministers in order to examine the issue of constitutional and administrative changes. I want to point out that, since then, we never heard anything more about those committees.

Then, on November 27, two weeks ago, even before knowing what these committees were going to propose, the Canadian government announced its intentions on constitutional matters: first, a resolution symbolically recognizing the distinct nature of Quebec, then a bill where the federal government committed itself to never adopt constitutional amendments to which one of the four regions of Canada, namely, Quebec, Ontario, the Maritimes and the West, were opposed.

Finally, the third measure expressed Ottawa's intention to partially withdraw from manpower training programs, while, of course, maintaining control over funds and national standards. One can understand the government for trying to gag any opponent of its constitutional reform package. The utter mess it has created and cannot get itself out of verges on the most grotesque cynicism.

• (1550)

Quebecers have nevertheless seen through its scheme. The results of a SOM poll which was released last Friday show that 53 per cent of Quebecers find the federal proposals inadequate, and a meagre 24 per cent find them adequate.

Interviews for the poll were conducted between December 2 and December 5, two days before the last episode of government bungling over the veto for B.C. and Alberta. Results would be even more critical if the poll were taken today.

As far as improvisation and inconsistency go, in an area as fundamental as constitutional changes, the federal government takes the cake. Even before Quebecers had a chance to say these proposals were unacceptable, the federal government yielded to pressure from the west and granted a veto to B.C. and a veto by default to Alberta.

But the show did not end there. Last week, federal Liberals fell all over themselves to tell us Quebec does not have a distinct culture and there is only one Canadian culture from coast to coast.

We have a government that claims to be willing to grant symbolic recognition of Quebec's distinctive character, but says at the same time that this does not mean anything and that Quebecers do not have a distinct culture. As I already said, these intellectual flip–flops are tragically funny and deceptive.

With Bill C–110, the roundabout ways of the government are just as difficult to follow. First of all, we are told that this bill gives Quebec a veto power, which Quebec thought it had until the Supreme Court stated otherwise in 1982. Since it is one of the two founding nations, Quebecers had always thought that, in order to maintain a good relationship, both partners had to agree before major changes could be made. However, Bill C–110 does the exact opposite and achieves an incredible feat by annoying all Canadians from sea to sea to sea.

Quebecers have always considered the veto power as, by definition, a kind of constitutional protection, because they did not want to relive the events of 1982 and be excluded from the constitutional amendment and reform process. But Bill C–110 is only a bill. All it will take is a majority of members in this House and Quebec can say goodbye to its veto power.

We are far from entrenching this power in the fundamental law of Canada. This unconstitutionalized veto will not be granted only to the two founding nations.

At first, besides Quebec, Bill C–110 was to grant this veto power to Ontario, the Atlantic provinces and the Western provinces. A week later, after a press conference given by the premiers of B.C. and Alberta, these two provinces also got the veto power. By the end of my speech, the federal government may have granted a veto to Nova Scotia and Manitoba.

As my colleague from Bellechasse put it, in his colourful language, this is the Colonel Sanders' veto power, a big chicken with legs for everybody.

The message the Liberal government is conveying is pretty simple: Quebec is a province like any other and only gets a veto because of the size of its population. With the recent presents offered to us by our federal Santa Claus in this Christmas season, any change will require the support of at least seven provinces representing at least 91.8 per cent of the Canadian population.

In other words, Quebec is not getting a veto, but rather a guarantee that all future constitutional negotiations will have the same fate as Meech or Charlottetown. We have reached a constitutional dead end and there is virtually no way out.

One has to be particularly out of touch—and we thought we had seen the worst of it with the Charlottetown Accord—to add insult to injury.

• (1555)

In a press release dated November 27 of this year, the Liberal government said, and I quote: "Now is not the time to hold a round of constitutional talks since the Government of Quebec is completely dedicated to the secessionist option. If conditions changed, that is if Quebec and the other regions agreed, the veto proposal contained in this bill could be enshrined in the Constitution".

So the federal government is imposing its own constitutional rules without seeking the approval of Canada's four or five regions—the number varies from one day to the next. Already the government is not respecting the principles of Bill C–110 in its current approach. Like Trudeau in 1982, this Liberal government is trying to impose a formula for amending the Constitution through a process that goes against the very principle underlying the proposed formulas.

In closing, I urge Liberal members to oppose Bill C–110—I know I am dreaming but one more nightmare will not make a difference—for the simple reason that if Liberal members love Quebec so much, as they came to tell us before the referendum, they should understand that Quebecers will never be satisfied with empty shells and constitutional footballs that have no more credibility than the rhetoric that comes with them. The least we can say is that, in the best country in the world, even crabs are laughing their heads off.

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 take part in today's very important debate which, as you are aware, has grown out of the referendum debate we had not long ago. On October 30, Canada gained more than a mere referendum victory.

History will recall this referendum as one in which not only Quebecers but millions of Canadians renewed their allegiance to our country and proclaimed their pride in being Canadians. From sea to sea, millions of Canadians realized more clearly than ever before how important it was for them to live in this great country rich in resources and in potential.

People everywhere also became aware that the unity of our country is more important than many individual demands. People everywhere said that keeping this country together was a worthwhile undertaking, was worth a few concessions and compromises. The Prime Minister clearly understood what Canadians were feeling on the eve of the referendum. He saw our desire and our determination to continue to see this best of all countries progress even further. He also recognized the desire everywhere in the country for change, concrete and progressive change within Canada.

The Prime Minister kept his promise. Barely a month after his promise to Quebecers to recognize the distinct society, to give Quebec a veto and to decentralize powers, he has made good on that promise. Last Monday, we passed the motion the Prime Minister had promised, recognizing Quebec as a distinct society. Today, we are looking at Bill C–110 on the right to a veto.

A few days ago, my colleague, the Minister of Human Resources Development, proposed a new employment insurance plan which gives the provinces full jurisdiction over manpower training. This is a real and effective way to bring services and decision making closer to the people.

• (1600)

The Prime Minister's initiative for change is a high point in the recognition of Quebec's traditional claims.

These three elements—the distinct society, the veto and decentralization of powers—form the essence of what Quebec has wanted and has sought for 30 years.

We now know that there is no need to throw everything up in the air or to give up our country, our citizenship or our future for our identity to be recognized with dignity and our place to be confirmed with pride in Canada's confederation.

Obviously, I am under no illusions. The opposition parties do not recognize the immense value of the Prime Minister's proposals. For the members of the Reform Party, the whole thing goes way too far. To them, Quebec is not different, it is insufferable. It is not distinct, it is incomprehensible. It does not need a veto, but rather an ultimatum.

In fact, what the Reformers want is to separate Canada from Quebec and thus rend a most noble fabric that forms the heart of an independent, autonomous and unique Canada.

For the members of the Bloc Quebecois, the Prime Minister's initiative does not go far enough. They treat it with disdain and contempt. The leader and the members of the Bloc Quebecois should remember that, on October 30, a majority of Quebecers rejected their option of sovereignty. They said no to their plan to separate Quebec from Canada. They said no to the farfetched promises that were made. They said no to the enormous economic risk the Bloc Quebecois wanted them to take.

Our friends opposite should humbly recall that on October 30, Quebecers chose Canada. They chose to keep their Canadian citizenship. They chose to keep their Canadian passport, invaluable when you travel. They said they wanted to go on living in the best country in the world.

On October 30, Quebecers chose to go on living in the country that affords them the best guarantees for progress, success and prosperity. And on October 30, Quebecers chose to live in Canada.

Of course Quebecers and Canadians as well indicated they wanted change, but change within Canada. That is exactly what we are proposing. The Bloc Quebecois maintains that it is not enough, the Reform Party that it is too much. It should come as no surprise that our position differs totally from that of the opposition parties. The Bloc wants to isolate Quebec. We encourage Quebec to look outward. The Bloc rejects everything we have built in the past 127 years. We are using our experience to make social and economic gains. The Bloc wants to destroy our country. We are working to make it even more prosperous, fairer and equitable.

What we are proposing to Quebec today and what we have been discussing for the past few weeks is a new way of approaching constitutional amendments that might affect the powers, rights and privileges of the National Assembly and the Government of Quebec. In fact, what we are proposing to Quebecers is the assurance that we will never amend the Constitution without their consent. What we are proposing to Quebecers is an authentic partnership that respects the rights and responsibilities of each partner.

• (1605)

We often said during the referendum campaign that federalism is a flexible and dynamic formula. We said that we were open to change and that change is possible within Canadian federalism.

The Prime Minister is a man of his word who leads a government that keeps its promises. We had further proof of that today. Thanks to the Prime Minister's initiatives for change, Canada and Quebec are turning a new page in our history. This page and the pages that follow will be imbued with the openness, respect and pride shown by so many Quebecers and Canadians during the referendum campaign.

In keeping with the will expressed by a majority of Quebecers on October 30, we are now full partners. Thanks to this modern and strong partnership, we will enter the next century still at the head of the line and we will stay there.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I rise to enter this debate with mixed emotions, emotions of sadness and gladness at the same time. I am reminded of the novel *A Tale of Two Cities*. The opening sentence goes something like this: "It was the best of times; it was the worst of times". Today we find ourselves with that ambivalence in Canada.

In the last three weeks and the weeks preceding the October 30 referendum we have seen some of the most terrible things happen. We have also seen some of the most wonderful things happen. People have been divided and people have come together on this issue. The Montreal rally was a coming together that we have probably not witnessed ever before in this country, yet the occasion was a negative one. It was one of tearing people apart.

Our country is a democracy. Unlike the words that were used only a moment ago about the mutual respect that we need from one another, the unfortunate part of it is that too often we impute motives to people. People impute motives to members of the Reform Party and say we want to tear Canada apart. Nothing could be further from the truth than that.

I stand here today as a proud Canadian, as someone who was born in this country, as someone who can look back to a grandfather and father who left a country that was being taken over by a government that was not democratic. The Bolshevik revolution brought about my family's emigration from Russia.

My grandfather came to Canada with his children and they became citizens. They were buried here. Now I stand here and say I am proud to be able to be in Canada. It is a privilege to be able to speak one's mind and not be afraid that one might be stricken down or killed because of opinions that one might hold.

While there are a lot of differences and variations in this country, the real reason we are here is that this nation is free. It is here where we can express our religious beliefs, where we can express our political beliefs, where we can move forward and build a country that is strong, a country that is united.

We saw a few days ago how fragile that peace can be. It reminds me so much of a conversation I had with one of my constituents. He is a person who came to this country seeking freedom, seeking a domicile that would allow his children to grow up in peace and harmony. This person has family in the old Yugoslavia.

• (1610)

My constituent said to me: "I want you to know that I am not so much concerned about what is happening in Bosnia right now where my people are suffering the ravages of so–called ethnic cleansing. I was very concerned. Two years ago when you were elected all I could talk about was the way in which my forefathers' country and the things they built were being taken apart. Now, I want you to pay attention to what is happening in Canada. The very things that are happening in Canada today, in October 1995, are the very things that brought about the division and the terror we now see as the Bosnian conflict in the former Yugoslavia".

That is so serious. Why do we not listen to those people? Why do we think that we must somehow create differences and create a distinct society based on where people live because of a particular language, culture or race? It is wrong. Not only is it wrong, it carries within it the seeds of disintegration of what is a nice country. We should do everything we can to make sure that those seeds do not sprout. We must make sure that we can continue to develop a mutual respect for one another without fear and at times perhaps even express love for one another. I wish we could do that all the time.

I also want to draw attention to the west. The west is a very interesting part of the country. I was born in Alberta and moved across the mountains into British Columbia. Those of us who were born in Alberta can detect the difference. Something happens to all of us in western Canada. We are fiercely independent but we are also very, very patient. We know how difficult it is to eke out a living on the prairies. Quebec and Ontario think they know everything and that they can tell the westerners how to live. They cannot. They do not know how but Ontarians say: "We will tell you how".

Mr. Harris wrote an article in one of our local newspapers which I think covers it very well. With respect to the unity question he said: "But the sleeping giant in all this may well turn out to be Manning's west". Why it is Manning's west I do not know. I think it is just as much Schmidt's west as it is any other person's west. Nevertheless, that is how it was said.

He went on:

> This great and insanely loyal part of Canada has waited for more than 100 years to take its proper place in the Confederation; it is still waiting.
>
> The PC Party died on the prairies because it sold out the notion of a strong and equal Canada in the name of winning in Quebec, just as the Liberals have for generations.
>
> If Ottawa continues to fail the west while it woos Quebec with special status, the country may still fall apart like a soggy jigsaw puzzle starting with the Rocky Mountains rather than the Laurentians.

That is the opinion of one columnist.

If members had been in my riding in the last four days and listened to the comments that were made, particularly when the Prime Minister presented the motion we voted on last night and the bill we are now facing closure on today, they would have heard people ask: "How much longer do we have to put up with this?" They do not want to put up with it at all. Do they want to be part of Canada? Absolutely. They want desperately to be part of Canada, but they want to be part of a united Canada, a part of Canada that says people are equal, the provinces are equal and that no one deserves any special status regardless of language or geography. That is what they want and it is what I want.

I do not think there is one person in the House who is any better than anyone else. I do not think anyone on this side of the House is any better than anyone on that side of the House and vice versa.

We are trying to build a united country. There are those of my colleagues who would say: "Well, those guys over there cannot possibly be as good as we are". In reality and in our hearts we really are trying to do the best we can for our constituents, but we certainly disagree on certain things. In particular we disagree with what happened yesterday.

• (1615)

Yesterday the government had a chance to recognize that special status does not mean unique powers, and what did it do? It refused to accept certain amendments which stated that if we were to recognize special status it should not be conferred or interpreted as conferring upon the Government of Quebec any new legislative or executive powers, priority rights, status or any other rights or privileges not conferred on the legislature or government of any other province.

That was a good step forward and it was rejected. It would have brought about unity. Instead the government did the opposite. It said: "You have special powers and you may indeed have unique powers that other provinces do not have". That was completely unacceptable to me and to my constituents. They have told me 100 times, if they have told me once, that it is not acceptable to them.

The government had another chance. It could have said that it was not to be interpreted as diminishing in any way the rights and freedoms of any citizen of Canada under the Canadian Charter of Rights and Freedoms by virtue of province of residence. This second chance was turned down. It would have helped. It would have brought about unity but it was rejected.

The final chance was to deny or be interpreted as denying that Canada constitutes one nation. This too was rejected. I went home sad last night because an opportunity to bring about a direction that could have healed the nation was denied. It was a sad day.

Today we are not approached with recognizing Quebec as a distinct society. We are told that society is distinct and shall now have a veto. It is totally contrary to democracy that any one group would have the power of veto when the group cannot constitute a majority. It is wrong in principle.

We are in danger of committing one of the worst possible actions we have seen in a long time. This is where a positive comment can also be made. If the Prime Minister wants to bring about the unification of the country, he would come to the House and withdraw Bill C–110. If the Prime Minister would do that he would recover some of the losses he has experienced in the last little while. We could then respect him as a leader.

Mr. Milliken: He would want that, because then we would win an election with 70 per cent instead of 60 per cent.

Mr. Schmidt: It is possible for the Prime Minister, even though he has a majority, to make a mistake. It is not a sign of weakness to admit an error. It is not a sign of weakness to stop yelling across the floor.

It is important to recognize that we can bring about a positive Canadian unity. We ask the Prime Minister to withdraw the bill. He would re–establish himself as a good thinking, unifying Prime Minister instead of forcing an issue like this one that we cannot even debate as much as we want.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, it is a great pleasure to participate as a member of the official opposition in this debate on Bill C–110, an act respecting constitutional amendments, and more specifically implementing what must be referred to as a symbolic veto.

• (1620)

I am very happy to participate in the debate on this bill, because I was immediately struck by both its form and its content. Its form is a beauty.

This bill is being touted as a historic response to the Quebec people's democratic impulse, because, as you know, Quebec is mostly responsible for Canada's constitutional problem.

This bill has six pages, including three blank ones. Including the front page, we end up with the equivalent of about a page and a quarter of text as a response or a semblance of response to the constitutional debate that, as you know, has been hurting Canada for some 30 years.

The content of this bill is also a beauty. As for a symbolic veto, I am reminded of one of our greatest hockey stars, Guy Lafleur, who, when questioned about his reasons for supporting the no side said in 1992—if I remember correctly—that he had interpreted the right of veto as meaning the right to vote. That is about the extent of it. Talking about symbolic, this veto will allow Quebecers to vote, and very soon, in favour of sovereignty.

This bill and this exercise seem totally improvised, like the spontaneous show of love—albeit at bargain prices—made to Quebecers in the last weeks and days of the referendum campaign, and they also lack depth. More importantly, it seems to me that this is a pitiful non–event from an historical perspective.

Let us not forget that this process by the Liberal government is meant to be the answer to the historical claims of the Quebec government and people within the Canadian confederation. As a Quebec voter and citizen who has had an interest in this issue for a number of years, I try to get a better understanding of what is going on by going back to 1954, when premier Duplessis led the fight against the federal government's unconstitutional interference in fields of provincial jurisdiction, eventually winning a hard fought battle to have the province collect a direct personal income tax.

This was truly an historical event, following which Quebecers became more proud, more assertive and more determined to gain full dignity as a sovereign people.

Then came the Tremblay royal inquiry commission on federal–provincial relations in Quebec and Canada. Then, in 1960, just after Duplessis died, we had the advent of a Liberal government, the quiet revolution, with all the good things it brought about, and Quebecers taking their future in their own hands through the government takeover of the hydro sector, the set up of the Caisse de dépôt, the Quebec pension plan, and so on.

In 1964, an eye–opening event took place: the Queen's visit. I was there. The police force deployed was larger than the crowd. That day was later described as the day of the visit of shame, in the city of shame, Quebec City, because the people had remained indifferent to this visit, which, unfortunately, led to what came to be known as the samedi de la matraque, or "Billy–club Saturday", of 1964.

In 1966, still in that historical perspective—and that is what we on this side of the House, let alone the hon. members on the other side, cannot understand—there was this collective surge. As early as 1956, the sovereignist movement, which then became established in 1959, came into play. In 1966, it was represented by Pierre Bourgault in the riding of Duplessis. Few people know that 39 per cent of the voters of this riding voted for Mr. Bourgault, who was the leader of the *Rassemblement pour l'indépendance nationale*, the RIN, at the time.

• (1625)

In 1967, a prominent figure dropped by on the occasion of the centennial of Confederation. General de Gaulle sent out the message, for the whole world to hear, that the people of Quebec did exist when he declared: "Vive le Québec libre".

The next year saw the foundation of the Parti Quebecois by René Lévesque. This was a turning point in our modern history. Two years later, with 23 per cent of popular support, the PQ won seven seats in the National Assembly. Three years later, in 1973, it got 30 per cent of the votes and 6 members, because of the well–known incongruities of our British parliamentary system. Three years later, in 1976, a sovereignist party was officially and democratically elected in Quebec for the first time in the history of the province and of the country. The 1980 referendum followed, with, even then, 41 per cent of Quebecers giving a mandate to the Government of Quebec to negotiate. The majority, unfortunately, decided otherwise.

At the same time, on the Canadian side, people were becoming aware that something was wrong. In 1963, the Laurendeau–Dunton commission was talking about two solitudes. We could have taken big chunks of the Laurendeau–Dunton report and read it here. It would have been extraordinarily relevant.

So we had the Laurendeau–Dunton commission, then we had the Macdonald commission at the end of the 1980s and then the Pepin–Robarts commission, an event in constitutional terms, but a dead end, because Mr. Trudeau, the Prime Minister of the time, did not believe in their view of things. Then there was the constitutional bog of the 1990s with the Spicer commission and the Castonguay–Beaudoin–Dobbie–Edwards commission.

As Mr. Castonguay will remember, these people were upset—which should give Quebec federalists food for thought—at the degree of willingness to recognize a Quebec people within Canada that they saw. Mr. Castonguay even withdrew from the commission at that point, and, as you saw in the recent campaign, he remained true to himself and logical, warning everyone that he could not try to convince Quebecers that Quebec should remain in confederation, so shaken was he in his deep convictions.

Continuing with the major landmarks in the history of Quebec, we arrive at the aftermath to the no vote in the referendum, the great initiatives of Mr. Trudeau, the unilateral initiatives which were condemned by the Supreme Court. Trudeau had to call in the provinces. Quebecers all remember the Night of the long knives, when the Constitution was patriated. One of the instigators of this was the Minister of Justice at the time, then and still the hon. member for Saint–Maurice. He cannot plead ignorance of the harm that has been done historically to the people of Quebec by such actions, yet he does not recognize—it cannot be repeated in this House too many times, a place where the existence of the Quebec people is not recognized—that Quebec as a people and a culture does exist, whether the Prime Minister likes it or not. The Quebecois culture does exist, and this must be said.

All of the efforts now being expended represent one of the three little promises made by the Prime Minister, as he himself qualifies them, to Quebecers and to Canada in the referendum campaign. One of these was recognition of the distinct society, an empty shell; the second was a token right of veto; the third was the Minister of Human Resources Development's nice little present which will make the poor poorer and the rich richer.

A fine country indeed to invite Quebecers to remain part of. Everyone in Quebec is aware, whether our federalist friends like it or not, that they are a people making democratic advances, a people marching toward collective pride, a people prepared to say yes to their very existence.

[*English*]

The Speaker: I have made a mistake. I should have recognized the hon. member for Vancouver East before the hon. member for Trois–Rivières. I will now recognize the hon. member for Vancouver East.

• (1630)

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I rise today to speak on Bill C–110, an act respecting constitutional amendments. The bill, which grants a veto to various regions of Canada, has been recently amended to include British Columbia as the fifth region that can exercise a veto to block a constitutional change.

[*Translation*]

This veto can only apply to a constitutional amendment requiring the support of seven provinces representing 50 per cent of the population.

This amendment to the bill was requested by the people of British Columbia, who exercised a great deal of pressure to obtain this right.

[*English*]

The amendment is welcome and gives B.C. a well deserved autonomy in the exercise of the veto and the recognition by the government that B.C. is a distinct region in all aspects. B.C., which has a powerful economy and a strong Asia–Pacific connection, sees itself as a region because of its geographical location and a tremendous growth potential both economy and people wise.

Furthermore, British Columbia has been called the Pacific region for many years in many government departments and other agencies. In British Columbia, beyond the Rocky Mountains, we have a vibrant population that is more and more requesting to be recognized for its distinctiveness. Its population of over 3.7 million, almost 13 per cent of the Canadian population, feels more and more a sense of pride in its achievements and successes.

British Columbia has been changing dramatically over the years and has become the home of many immigrants, a large number of them from the Pacific rim, being the closest region to B.C. For a long time B.C. was somewhat isolated, far from Europe and from eastern Canada. It did not seem to attract as many people as Ontario and Quebec. At this point British Columbia is one of the most desirable places in Canada and in the world in which to live.

The growth in population and its variety have made British Columbia a booming place. In 1997 Vancouver will host APEC, the Asia Pacific Economic Co–operation Conference, 10 years after Expo '86, the time when Vancouver and B.C. seemed to be discovered by the world.

Even my family members in Italy often comment on Vancouver. They often see it on television and read about B.C. in the papers. This is quite recent, and we seem to like the attention.

I arrived in B.C. in 1966 and I have seen many changes since then. I saw Vancouver's skyline change dramatically. I saw the composition of the population constantly alter to eventually create a mosaic of cultures and beliefs. I saw these cultures coming together to celebrate a province more and more conscious of its great location and appeal.

[*Translation*]

I would like to thank the Prime Minister and the Minister of Justice for the change they made in this bill. This amendment gives British Columbia an important place in the history and future of our country.

We know that Canada is a remarkable country where people respect each other and are unique in their understanding of one another.

[*English*]

B.C. remains part of the west. We are in the west but there is a difference between being a prairie province and a province that lies on the Pacific Ocean and which is becoming more and more a part of international trade.

The Prime Minister with his missions to the Orient has strengthened Canada. B.C., being the coastal province, has received many benefits and continues to receive them.

This amendment will help British Columbians feel their rights are being respected and that their voice is being heard because they demanded the veto and they obtained it.

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, I commend my colleague from Okanagan Centre for being happy and sad at once.

• (1635)

I am disgusted with Bill C–110 with its proposed constitutional veto. However, I am pleased as always to honour my commitment to represent the people of the great riding of Yellowhead. They are against this bill. I am against it. I am proud to denounce it here today on their behalf.

The people of Yellowhead are certainly not opposed to national unity. They are not what some prime ministers have foolishly called them, enemies of Canada. A few months ago I commissioned a scientific poll and about 70 per cent of my constituents want Canada to stay together.

What they are opposed to, which came through loud and clear in the poll results, is the strategy of saving Canada by appeasement, appeasing the separatists in Quebec. They overwhelmingly oppose the notion of Quebec as a distinct society and oppose sovereignty association.

As a member of a caucus which listens to the people instead of lecturing them, I do more than take polls. I go on tours in my riding to hear what the constituents are saying and how they are saying it. I just finished doing that again. I want to tell everyone here what they said. That is my job. Some of the members opposite would do well to remember that is their job as well.

My constituents told me overwhelmingly they do not understand, and quite frankly neither do I, why we are even talking about caving in to Quebec, why distinct society and veto powers are even on the table. People in my riding are so sick of this never ending debate. I hear that some are wondering if there is anything they can do to kick Quebec out of Canada. That is how angry they are. That is how frustrated they are.

It is not ordinary Quebecers they are sick of. It is this constant giving in to the whining and snivelling Quebec politicians, both separatist and federal old style politicians. This weak–kneed policy of giving the spoiled child of Confederation whatever it wants is driving my constituents to despair. I call on my colleagues opposite to listen to the people and stop this policy of appeasement before it is too late.

My constituents want, indeed demand that a line be drawn in the sand. This line should signal a few things: no more favours, no more appeasement, 10 equal provinces, not 9 provinces and Quebec.

I do not think I pay my constituents any great compliment when I say they are smarter than most politicians, especially when I look at the government side across. People are saying that 30 years of appeasement to Quebec has failed miserably. People are saying that 30 years of government by politicians, of politicians and for politicians has left the people of Yellowhead as disgusted as the people of Quebec with the way things are done in this place.

The people are saying to stop already. Enough is enough. Treat everyone as equals. Treaty everyone as grown ups, not as some spoiled children. Treat everyone fairly, equally.

The Trudeau Liberals, the Mulroney Tories and now this Liberal administration drifting aimlessly have virtually ruined this once great country. In my riding it is pretty common observation that the three prime ministers responsible for this disaster have all been from Quebec. Yes, it took them only 25 years to virtually bring the country to its knees, to almost wreck it, 25 years of tearing apart our country which took real nation builders centuries of toil and tears and sweat to build; 25 years thrown to the wind.

The common thread here is that people in most parts of the country, the ordinary taxpaying public, the public that pays the bills for big oppressive governments has had it. It will not take it any more. People will no longer sit idly by and watch the concessions, the favours, the appeasements to sell out the country to the separatists in Quebec.

• (1640)

Concessions to Quebec continue to march forward with the government. It is not only with the distinct society motion and the Quebec veto, the matters currently before the House, it is Bill C–89, the act that supposedly privatized Canadian National Railway; major concessions to Quebec by statute. CN's head office must stay in Montreal and by statute the heavy handed provisions of the very undemocratic Official Languages Act must prevail.

I will not go into the litany of favours given to Quebec during the Trudeau–Mulroney years or, more aptly stated, the Trudoney years. One glaring example comes to mind, and it especially sticks in the craw of westerners, the CF–18 contract assigned to

Winnipeg but which went to Quebec. Air Canada is another example.

Bill C–110 really takes the cake. This will turn out to be the mother of all concessions and appeasements granted since Confederation. The bill enshrines in legislation, not mere discussion or some off the cuff remark, the ultimate in legislative lunacy. It even exceeds the lunacy of Bill C–68, the gun control bill.

Bill C–110 gives the separatist Government of Quebec on a silver platter a veto over all future constitutional change. In effect, there can be no change. With this bill the Constitution would be buttoned up in a straitjacket because it is the intent of the Prime Minister to eventually entrench this loathsome legislation in the constitution.

The Liberal government is so sadly lacking in leadership, as evidenced last night on the Prime Minister's town hall meeting. Even the $1 billion subsidized federal institution, the CBC, could not make the Prime Minister look good.

The Liberals are stuck with another Chamberlain when what they really need is a Churchill. Look at the ranks of the Liberals. There is obviously no Churchill forthcoming, only little bitty Chamberlains.

With this bill and a dozen or so others the Liberal government, come the next election, will be gone. For a lot of Canadians that cannot be too soon.

The 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 Burnaby—Kingsway, Criminal Code; the hon. member for Edmonton East, Medicare; the hon. member for Ottawa West, Pensions.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I feel we have been here before as I rise in the House today to speak to Bill C–110, an act respecting constitutional amendments. The purpose is to condemn again the constitutional position taken by the Chrétien government.

I sometimes have the impression I am using that well–known teaching technique which repeats the same message in every possible form, the purpose being, of course, that its content will eventually be understood and retained.

Following the results of the referendum, members of the Bloc Quebecois unanimously decided to continue to defend the interests of Quebecers in the Parliament of Canada. Furthermore, since our members decided to continue the dialogue with the elected representatives of English Canada, it is important to repeat the message so that some day it will finally be understood and our Canadian friends will accept our future decision calmly, with dignity and respect, and be prepared to co–operate with us, albeit within an entirely different framework.

I think it is sad that the present Prime Minister still does not understand his fellow citizens from Quebec and especially what they want.

• (1645)

How can we in fact not get upset at such insipid statements as those made last week to the effect that there was no Quebec culture? How can we expect our Canadian friends to understand our position, if the Prime Minister himself and his Quebec cohort cannot explain the reality of Quebec to their colleagues? On this level, it is really a disaster. So much time and money spent harping on the same ideas.

Unlike the Prime Minister, we in the Bloc Quebecois consider good relations with our Canadian friends important. This is why I will try once again to explain Quebec's position in this House. Bill C–110 is unacceptable to Quebec. It is unacceptable for a number of reasons.

First, the veto is not given to the provinces, it is lent to them. Has anyone ever heard of such a thing in constitutional matters? A veto that is not actually granted, but is only on loan. In everyday life, when we lend something, we expect to get it back. Both the lender and the borrower know that there is nothing definitive about the transaction. *Le Petit Larousse* defines the verb "to lend" as to give for a time, upon condition of restitution.

Does the Prime Minister think for one moment that Quebecers will be satisfied with a loan? I think this makes a mockery of Quebecers and resolves nothing at all. Any government can decide to ask for its marbles back, and the provinces have no say, because the marbles do not belong to them. This is totally off the wall.

Is that what the Prime Minister had in mind when he made the people of Quebec the following promise, and I quote: "Any changes in constitutional jurisdiction will only be made with the consent of Quebecers"? As we know all too well, a veto on loan does not give the people of Quebec any guarantee or any security. It is therefore totally unacceptable.

Another problem adds itself to the first, as the federal government could apparently decide that this veto will be exercised either through the National Assembly or by referendum. I say apparently because there seems to be some confusion about this within the government. In fact, Bill C–110 only refers to the provinces. It is not specified whether this means their legislative assemblies or their people.

Also, when he tabled his bill before this House on November 29, the Prime Minister said: "This bill requires that the Government of Canada first obtain the consent of Quebec, Ontario and two provinces from both the western and Atlantic regions representing 50 per cent of the population of each of those

regions before proposing a constitutional amendment to Parliament".

As we can see, he did not specify either the conditions of approval. We took for granted that he meant the provincial legislatures. Surprise. If you take a look at the documents prepared by the Minister of Justice, in the section dealing with how the bill applies to constitutional amendments, you find out that, after at least six provinces have given their consent (through resolutions, referenda or government approval), the federal government will be released from the obligation to proceed with motions in the Senate and the House of Commons.

There, it is in the bag and the cat is out of the bag. Not only does the federal government only lend its veto, it is set to have absolute control over the process, given that it plans to go directly to the people if it suspects that the provincial government might not take the direction that it, the almighty central government, thinks it should take. That too is taking Quebecers for fools.

I wish to point out to this House that my suspicions were confirmed as recently as this morning, when the Prime Minister was quoted as saying that a referendum is a frustrating process held under provincial legislation and led by provincial politicians. The Prime Minister has no qualms about telling everyone that he fully intends to interfere in provincial matters whenever he feels like it, thus going over the heads of provincial politicians.

• (1650)

This is not a good sign of respect for democracy and the Constitution. It can be said, however, that this undemocratic approach is consistent, in light of the Prime Minister's repeated admissions that he would not abide by the results of the referendum should a majority of Quebecers vote for sovereignty.

I could go on and talk about the other reasons why this veto bill is totally unacceptable to Quebec, but I do not have enough time.

Although, as he himself admits, he had made only three small promises to Quebecers, we and all Quebecers now realize that it is nothing but a sham, nothing but false representations. Rhetoric and crocodile tears will not change anything.

The Chrétien government still does not understand anything and I fear that it has no intention of changing the federal system in line with Quebecers' aspirations. Everyone knows that. The time for deception is over. I therefore urge our Canadian friends to discuss a new partnership that would finally accommodate the aspirations of Quebecers.

The Speaker: Dear colleague, I did not want to interrupt, but in the future, we ought to have "the Liberal government", or something similar, instead of "the Chrétien government".

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–110 today. I was next in line when the time allocation ran out at second reading. It is nice to see that the time closure is not going to affect me today.

Since that time the government saw fit to make an amendment to the bill to include British Columbia as a region and give it a veto. It is interesting how the Liberal government seems to be surprised at the reaction it has received from people in British Columbia. This bill and the amendment have united the people in British Columbia as it would appear that they are all against it.

What the Liberal government does not seem to understand is that the people of British Columbia do not want any one province to have a veto. They do not want the veto themselves and they do not want any other province to have the veto either. They understand very clearly that the veto will entrench the status quo.

What the people in British Columbia are looking for and fighting against is the establishment of the status quo and entrenching it. What they want is a Constitution that will evolve, change and recognize the changes that have taken place in this country since 1867. What they do not want is for British Columbia to be left in the position that it is in right now.

British Columbians are not happy that almost 13 per cent of Canada's population lives in British Columbia but it has less than 11 per cent representation in this House and less than 6 per cent of the seats in the other place. Those are the things British Columbians want changed. They want a Constitution that will allow those changes. That is why they see the amendment to include British Columbia as a distinct region as not mattering at all because they do not want a veto. They do not want anybody to have a veto.

What B.C. wants is to gain its rightful place in Confederation. In order to do that, one of the players in Confederation is going to have to give up something. If Bill C–110 passes and we have a veto, it will mean that the provinces which are required to make concessions by giving up something in order to give British Columbia its rightful place will have a veto and will prevent that from happening.

This bill will deny British Columbia its rightful place in Canada. However, Bill C–110 has united British Columbia. The provincial Liberals are against it, the provincial Reformers are against it and the provincial NDP is against it. It is dangerous for

this Liberal government to create that kind of unanimity among otherwise diverse political parties.

• (1655)

I remind the House that in the late 1870s the British Columbia legislature actually voted to secede from Canada twice. I am afraid that this Liberal government in instituting Bill C–110 has wakened a sleeping giant and it does not have any idea what the results will be from the feelings of deep resentment that are surfacing in the people of British Columbia.

By originally grouping B.C. with other western provinces, the government ignored our people, our history and our geography. I wonder why government members did not read the items in the book they released this past week on the symbols of Canada. I want to share with the Liberal government what the book that it published has to say:

> British Columbia was inhabited by the greatest number of distinct Indian tribes of any province or territory in Canada. They were not only different from each other, but also from the rest of the Indian tribes in Canada.
>
> Unlike eastern Canada where the French and English disputed control of the land, the first two countries to contest areas of British Columbia were Spain and Russia.
>
> In 1778 Captain James Cook of Great Britain became the first person to actually chart the land. Having firmly established her right to the area, Britain proceeded to settle disputes with both Spain and Russia.
>
> When gold was discovered in the lower Fraser Valley in 1857, thousands of people came in search of instant wealth. To maintain law and order, the next year the British government established the separate colony of British Columbia. The colony was cut off from the rest of British North America by thousands of kilometres and a ridge of mountains.

I would suggest it is very clear in the Liberals' own publication that B.C. is a distinct region. It was a travesty for the government to completely ignore that distinctiveness and to lump us in with all western provinces.

Then the Minister of Human Resources Development cut $47 million in federal transfer payments to the province of British Columbia. The government seems to think it is okay to fund only 33 per cent of British Columbia's welfare bills when every other province gets funded up to 50 per cent. That is just one example of how the province of British Columbia is getting shafted.

Last month Business and Industry Development B.C. released the results of a Peat Marwick study which was done on its behalf. The study showed that not only has B.C. not received its share of federal spending, but its proportion of federal spending is continually declining. The province of B.C. receives only two–thirds of federal spending when compared to a composite indicator of its population, GDP and amount of federal income tax paid. While the federal government puts in less than two–thirds of the money it should, it takes out over 10 per cent more in income tax.

This is the status quo the federal government wants British Columbia to maintain. The message I am getting from my constituents and from the people in British Columbia is that they are mad as all get out and they are not going to take it any more. They are going to start to fight back.

When Bill C–110 passes, the Liberal government will be sending British Columbians a message. The message is that they had better get used to this because with all the vetoes that have have been spread out all over the country, especially the veto given to the separatist government in the province of Quebec, the constitutional changes, changes in Parliament and changes in the way that government does business will never happen.

The people in British Columbia are being told to sit down, shut up and be grateful for whatever small crumbs are being thrown their way. Members opposite may be surprised to find out that this approach will no longer wash with British Columbians. We will not be denied our rightful place in Canada any longer.

I join with other British Columbians who will fight to see that the government does not accomplish what other governments have tried to do. That is when the people of British Columbia will see no other option than to follow in the footsteps of the province of Quebec.

• (1700)

The Speaker: It does not happen too often in Parliament that we get a new table officer, as they usually stay with us for decades. However, at this time I would like to take a moment on behalf of the House to welcome him.

I would like our new table officer, Tranquillo Marrocco, to please stand. Welcome to the House of Commons. I wish you well and many years with us.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I wish to join you in welcoming the new staff member to the House.

I am pleased to participate in the debate, at second reading, on Bill C–110, an act respecting constitutional amendments.

This bill is meant to embody the commitments made by the Prime Minister during the Quebec referendum campaign, particularly in a speech made in Verdun, on October 27.

The Prime Minister's answer to the results of the referendum is clearly less than what was proposed in the Meech Lake and Charlottetown accords.

As for the motion tabled by the government to recognize Quebec as a distinct society, it merely provides a symbolic and meaningless recognition, with no real substance. The motion passed yesterday merely describes Quebec's reality: its French–speaking majority, its unique culture and its civil law tradition.

However, a few days after tabling that motion, the Prime Minister refused to acknowledge the existence of a Quebec culture. This is quite the contradiction.

Bill C–110 on a so–called veto for Quebec does not go any farther in terms of meeting Quebecers' expectations. This is a bad piece of legislation, done in a hurry and without any substance. Even some Quebec Liberals are starting to criticize that bill. It is not an acceptable proposal for Quebecers. The referendum results clearly show that people want real change.

It was the government's intention with this bill to put us into an awkward position by forcing us to say no to the veto and to the distinct society. But we have the people of Quebec behind us.

I have met many voters from my riding of Bourassa, in Montreal North, in recent days and I have asked what they think. The vast majority do not approve of the federal government's proposals. They ask: "Why would we accept something that contains less than the Charlottetown accord turned down by 56 per cent of Quebecers in the 1992 referendum?"

As I have said, the concept of a distinct society is even less than what was in Meech.

First of all, neither the concept of a distinct society nor the right of veto will be entrenched in the Constitution. Recognition of the distinct society will be nothing more than a simple statement by the House of Commons.

If Bill C–110 becomes law, it can easily be amended or repealed by the present government or any other in the future. The Reform Party has come out clearly against this bill. If they were to win the elections—not that I would wish it—this law would most definitely disappear.

Certain provinces, such as British Columbia and Alberta, have already expressed their opposition to the concept of Quebec as a distinct society.

As I was saying, this bill on the right to a regional veto was poorly drafted. Initially, the federal government was committed to not proposing any constitutional amendments without setting itself the obligation of obtaining the consent of the four major regions of Canada: Quebec, Ontario, two eastern provinces and two western provinces, provided that in each case those two provinces accounted for more than 50 per cent of the population in their region.

• (1705)

However, 24 hours after excluding such a possibility, the federal government has now included a veto for British Columbia. Ottawa seems to be improvising its policy as it goes along. Practically speaking, this decision also gives Alberta a veto, since two provinces in the new Prairies region with at least 50 per cent of the population will have to give their approval for an amendment to the Constitution.

According to the 1991 census, Alberta has 54.6 per cent of the population of the Prairies. Because of this double veto, from now on any amendment to the Constitution becomes virtually impossible. Tomorrow the federal government will give a veto to all the provinces including Prince Edward Island. I wonder what the criteria are, demographic or otherwise, for obtaining a veto. Does this bill have any serious purpose?

In the past 35 years, successive governments in Quebec have requested the patriation of legislative powers essential to the economic, social and cultural development of the province. Since I arrived in Montreal in 1974, I have found that all governments, the Parti Quebecois as well as the Liberal Party, have demanded a real constitutional veto for Quebec and not a mere legislative measure that can be easily changed or abrogated later on.

We can assume that, in the case of a major conflict between English Canada and Quebec, the federal Parliament will override the veto given to Quebec in this bill. That is why this insignificant veto is even rejected by many people who voted no in the referendum on October 30.

Furthermore, Bill C–110 does not guarantee that the Quebec National Assembly will be the sole possessor of this veto, as demanded by all Quebec governments. The federal government reserves the right to seek the consent of the provinces by means of a national or regional referendum, as required. It will be able to consult citizens directly, without going through the provinces.

The main weakness in this bill is its failure to recognize the Quebec people and the status and powers that would accompany this recognition. The bill refuses to recognize one of the founding peoples of Confederation.

This bill has raised a ground swell of opposition from almost all parties, the Bloc Quebecois, of course, the Reform Party and even the Conservative Party, which was a meek ally of the federal government during the referendum campaign.

The government hurriedly changed its mind to give a veto to British Columbia and, indirectly, to Alberta. By doing so, it is trying to please everybody, but the effect is exactly the opposite.

A recent poll shows that a majority of Quebecers consider Ottawa's proposals inadequate. The constitutional amending formula providing for the agreement of seven provinces with 50 per cent of the population was already considered particularly restrictive. With this bill, we will need the initial consent of seven provinces with 92 per cent of the population.

For all these reasons, all the members of the Bloc Quebecois and I will vote against Bill C–110.

Mr. Milliken: Oh, what a disappointment.

Mr. Nunez: I hope this is what the hon. member was expecting.

An hon. member: It is an empty shell.

Mr. Nunez: It is an empty shell, and I will be happy to vote against this bill along with all my colleagues in the Bloc Quebecois.

• (1710)

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I am pleased to rise today to speak against Bill C–110.

Mr. Milliken: Not another one.

Mr. Harper (Simcoe Centre): Yes indeed.

Ontario feels very strongly about what is happening here and I am pleased to be able to stand up and represent that voice. We are here because of a promise that was made in panic, a knee jerk reaction. It was a reaction to what was a dishonest question. It was a dishonest question that never at any time had the Canada response. What was Canada's response to the dishonest question that was being posed by the separatists?

To indicate how much of a panic the government is operating in, the fact that British Columbia was originally excluded from this bill is unbelievable. However, it is testimony to the complete lack of thought and planning that went into this and attests to the fact that all of this has been nothing but a knee jerk reaction to the separatist agenda, rather than standing up to them.

I would like to go back and cover a little of the history that has brought us to this point. In June 1994 Reformers wrote a letter to the Prime Minister asking 20 questions that needed to be answered in advance of a separatist referendum. The Prime Minister never answered those 20 questions and when we raised them in the House they were dismissed as hypothetical, "it isn't going to happen, don't worry, be happy".

Mr. Milliken: And it didn't.

Mr. Harper (Simcoe Centre): No thanks to this government it did not. It was thanks to the Canadian people that it did not. Had those 20 questions been responded to the people in the province of Quebec that voted no thinking they were going to have it all ways would have known better.

It was interesting that the don't worry, be happy response is still being used by the Prime Minister. It was used in response to my leader's question today about how the government is going to ensure that the question will be fair in the next referendum, about what powers the government is going to use. That question must have been asked three times today with the standard response of don't worry, be happy. Don't worry about it.

Canadians have had that don't worry to the point that the country was almost lost. I do not know when the time is to start worrying but I suggest that it is long overdue.

Not only did the government not respond to the what ifs, the share of the debt, boundaries, dual citizenship, passports, but at no time did it accept Reform's challenge to put forward a positive agenda, to give the people in Quebec who wanted to reject the separatists a reason to do so and not try to fight the leader of the Bloc Quebecois' dream with a bunch of negatives.

I am proud to say that we put forward 20 proposals for positive change that would have gone a long way to addressing the concerns of Canadians inside and outside of Quebec.

The other tragedy in the referendum was the failure of the government to respond to the 50 per cent plus one which was first introduced by Mr. Johnson in Quebec. He was prepared to accept the democratic will of the people of Quebec and was going to accept 50 per cent plus one, as was the Minister of Labour, the government's point person in the referendum. They were both prepared to accept 50 per cent plus one as the democratic will of the voters of Quebec.

The Prime Minister was not prepared to accept that and without indicating what he was prepared to accept, he made it easy for those people to vote no on the basis that there probably was a better deal coming. That was one of the tragedies of the referendum which the government did not address. The Prime Minister played right into the hands of the separatists in not drawing a line in the sand, in making it clear to them what the consequences of separation were. As a result of that failed tactic, 30 per cent or one–third of the people in Quebec voted thinking that they were going to have it all ways.

Canada is a blessed country. That was indicated in an article in the *Globe and Mail* just a couple of weeks ago. The headline was that Canada is blessed but stressed. All Canadians are stressed both inside and outside of Quebec. This bill just adds to that stress. It does nothing to address it. It is a disunity bill and not a unity bill. Make no mistake about it, we must change because Canadians are demanding change. The 1993 election, when 205 new members were elected into the House, and the referendum on October 30 were strong messages that Canadians want change. More than that, Canadians want a voice in what that change will be. However, this bill denies that Canadian voice.

The separatists were given 30 days to spread their break–up Canada message. In the House because of closure the Canadian voice has been given three days. The separatists had 30 days. Because of closure, after only three days of debate the government is cutting off debate and ramming it through in spite of the Canadian people, who have already rejected it. The Liberals tried this at the front door and Canadians said they do not want it. Now they will bring it in through the back door. So much for open government, listening to the people, freer votes in the

House of Commons and members of Parliament who represent the people in their ridings.

The majority of Canadians do not want this bill. Quebec does not want this bill. Who are we doing it for? The bill will not unite us. The bill gives a veto to a separatist government. It is unbelievable that the government would do this. If it is to give a veto, give it to the people of that province. Trust the voters. That is what has been missing in this place. We need to restore the level of trust that has been lost. This bill does nothing to restore that trust. It alienates the voters.

The Deputy Speaker: I regret the time has expired.

[*Translation*]

It being 5.15 p.m., it is my duty, pursuant to the order adopted earlier today, to interrupt the proceedings and put forthwith all questions necessary to dispose of report stage of the bill now before the House.

[*English*]

The first 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 to the motion 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, the recorded division on Motion No. 1 stands deferred.

The next question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76, the recorded division on Motion No. 2 stands deferred.

The House will now proceed to the taking of the deferred divisions on Bill C–110, an act respecting constitutional amendments. The first vote is on Motion No. 1.

Call in the members.

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 397)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Chatters
Duncan
Forseth
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Johnston
Manning
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Stinson
Williams —45

Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Kerpan
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Speaker
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Althouse
Assad
Asselin
Axworthy (Winnipeg South Centre/Sud–Centre)
Bakopanos
Bélair
Bélisle
Bergeron
Bernier (Gaspé)
Bertrand
Bevilacqua
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Campbell
Caron
Cauchon
Chan
Chrétien (Saint–Maurice)
Collenette
Comuzzi
Cowling
Dalphond–Guiral
de Savoye
Deshaies
Dhaliwal
Discepola

Alcock
Anderson
Assadourian
Augustine
Bachand
Barnes
Bélanger
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blaikie
Bonin
Brien
Brushett
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Copps
Crête
Daviault
Debien
DeVillers
Dingwall
Dromisky

Dubé	Duceppe
Duhamel	Dumas
Dupuy	Easter
Eggleton	English
Fewchuk	Fillion
Finestone	Finlay
Flis	Fontana
Fry	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gallaway	Gauthier
Gerrard	Godfrey
Godin	Goodale
Graham	Gray (Windsor West/Ouest)
Grose	Guarnieri
Guay	Guimond
Harb	Harper (Churchill)
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jacob	Jordan
Keyes	Kirkby
Knutson	Lalonde
Landry	Langlois
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lavigne (Verdun—Saint-Paul)
Lebel	Leblanc (Longueuil)
Lee	Lefebvre
Leroux (Shefford)	Lincoln
Loney	Loubier
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marleau	Massé
McCormick	McKinnon
McLaughlin	McLellan (Edmonton Northwest/Nord-Ouest)
McTeague	McWhinney
Ménard	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	Nunez
Nunziata	O'Brien
O'Reilly	Ouellet
Pagtakhan	Paradis
Parrish	Patry
Payne	Peric
Peters	Peterson
Phinney	Picard (Drummond)
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Rideout	Riis
Ringuette-Maltais	Robichaud
Robinson	Rocheleau
Rock	Sauvageau
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Sheridan
Simmons	Speller
Stewart (Brant)	Stewart (Northumberland)
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Ur	Valeri
Vanclief	Venne
Volpe	Walker
Wappel	Wells
Whelan	Wood
Young	Zed—196

PAIRED MEMBERS

Blondin-Andrew	Bouchard
Canuel	Copps
Culbert	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)	MacAulay
Marchand	Mercier
Paré	Pomerleau
Skoke	St-Laurent
St. Denis	Szabo

• (1745)

The Deputy Speaker: I declare Motion No. 1 lost.

The next question is on Motion No. 2.

Mr. Boudria: Mr. Speaker, if you were to seek it perhaps you would find unanimous consent that members—

Some hon. members: No.

The Deputy Speaker: There does not appear to be unanimous consent.

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

(Division No. 398)

YEAS

Members

Abbott	Adams
Alcock	Althouse
Anderson	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre/Sud-Centre)	Bakopanos
Barnes	Bélair
Bélanger	Bernier (Beauce)
Bertrand	Bethel
Bevilacqua	Blaikie
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Calder	Campbell
Cannis	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Saint-Maurice)
Clancy	Collenette
Collins	Comuzzi
Copps	Cowling
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finestone
Finlay	Flis
Fontana	Forseth
Fry	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gerrard	Godfrey
Goodale	Graham
Gray (Windsor West/Ouest)	Grose
Grubel	Guarnieri
Harb	Harper (Calgary West/Ouest)
Harper (Churchill)	Harper (Simcoe Centre)
Harvard	Hickey
Hill (Macleod)	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jordan
Kerpan	Keyes
Kirkby	Knutson
Lastewka	Lavigne (Verdun—Saint-Paul)

Lee	Lincoln
Loney	MacDonald
Maclaren	MacLellan (Cape/Cap–Breton—The Sydneys)
Malhi	Maloney
Manley	Marleau
Massé	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	McCormick
McKinnon	McLaughlin
McLellan (Edmonton Northwest/Nord–Ouest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	Nunziata
O'Brien	O'Reilly
Ouellet	Pagtakhan
Paradis	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Rideout	Riis
Ringuette–Maltais	Robichaud
Robinson	Rock
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Sheridan
Simmons	Speaker
Speller	Stewart (Brant)
Stewart (Northumberland)	Taylor
Telegdi	Terrana
Thalheimer	Torsney
Ur	Valeri
Vanclief	Volpe
Walker	Wappel
Wells	Whelan
White (Fraser Valley West/Ouest)	Wood
Young	Zed—164

NAYS

Members

Ablonczy	Asselin
Bachand	Bélisle
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Caron
Chatters	Chrétien (Frontenac)
Crête	Cummins
Dalphond–Guiral	Daviault
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Gagnon (Québec)
Gauthier	Gilmour
Godin	Gouk
Grey (Beaver River)	Guay
Guimond	Hanger
Hanrahan	Hart
Hayes	Hermanson
Hoeppner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Shefford)	Loubier
Manning	Ménard
Meredith	Mills (Red Deer)
Morrison	Nunez
Penson	Picard (Drummond)
Plamondon	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Stinson
Tremblay (Rimouski—Témiscouata)	Venne
Williams—77	

PAIRED MEMBERS

Blondin–Andrew	Bouchard
Canuel	Copps
Culbert	LeBlanc (Cape/Cap–Breton Highlands—Canso)
Leroux (Richmond—Wolfe)	MacAulay
Marchand	Mercier
Paré	Pomerleau
Skoke	St–Laurent
St. Denis	Szabo

• (1755)

[*Translation*]

The Deputy Speaker: I declare Motion No. 2 carried.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved that Bill C–110, an act respecting constitutional amendments, as amended, be concurred in at the report stage.

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

(*Division No. 399*)

YEAS

Members

Adams	Alcock
Anderson	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Bélair
Bélanger	Bernier (Beauce)
Bertrand	Bethel
Bevilacqua	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Calder
Campbell	Cannis
Catterall	Cauchon
Chamberlain	Chan
Chrétien (Saint–Maurice)	Clancy
Collenette	Collins
Comuzzi	Copps
Cowling	DeVillers
Dhaliwal	Dingwall
Discepola	Dromisky
Duhamel	Dupuy

Easter	Eggleton
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gerrard	Godfrey
Goodale	Graham
Gray (Windsor West/Ouest)	Grose
Guarnieri	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jordan
Keyes	Kirkby
Knutson	Lastewka
Lavigne (Verdun—Saint-Paul)	Lee
Lincoln	Loney
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marleau	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	Nunziata
O'Brien	O'Reilly
Ouellet	Pagtakhan
Paradis	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Rideout	Ringuette-Maltais
Robichaud	Rock
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Sheridan
Simmons	Speller
Stewart (Brant)	Stewart (Northumberland)
Telegdi	Terrana
Thalheimer	Torsney
Ur	Valeri
Vanclief	Volpe
Walker	Wappel
Wells	Whelan
Wood	Young
Zed—147	

NAYS

Members

Abbott	Ablonczy
Althouse	Asselin
Bachand	Bélisle
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Caron	Chatters
Chrétien (Frontenac)	Crête
Cummins	Dalphond-Guiral
Daviault	de Savoye
Debien	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Gagnon (Québec)
Gauthier	Gilmour
Godin	Gouk
Grey (Beaver River)	Grubel
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jacob	Jennings
Johnston	Kerpan
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Shefford)	Loubier
Manning	Mayfield
McClelland (Edmonton Southwest/Sud-Ouest)	McLaughlin
Ménard	Meredith
Mills (Red Deer)	Morrison
Nunez	Penson
Picard (Drummond)	Plamondon
Ramsay	Riis
Ringma	Robinson
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	Stinson
Taylor	Tremblay (Rimouski—Témiscouata)
Venne	White (Fraser Valley West/Ouest)
Williams —95	

PAIRED MEMBERS

Blondin-Andrew	Bouchard
Canuel	Copps
Culbert	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)	MacAulay
Marchand	Mercier
Paré	Pomerleau
Skoke	St-Laurent
St. Denis	Szabo

• (1800)

The Deputy Speaker: I declared the motion carried.

[*English*]

Mr. Williams: A point of order. While I understand that the current motion has been carried, I was wondering if it is the intention of the House to keep the final tally open for another day until we hear from the leader of the Tory Party—

Some hon. members: Oh, oh.

The Deputy Speaker: That is not a point of order.

* * *

NATIONAL HOUSING ACT

Hon. David Dingwall (Minister of Public Works and Government Services, Lib.) moved that Bill C-108, an act to amend the National Housing Act, be read the third time and passed.

• (1805)

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak in support of Bill C-108, an act to amend the National Housing Act.

[*Translation*]

I would like to point out at the outset that Bill C–108 deals with a purely administrative matter. It is essentially aimed at setting the maximum amount of all outstanding loans insured by the mortgage insurance fund.

This bill will amend the National Housing Act by increasing the authorized ceiling of outstanding loans from $100 billion to $150 billion, thus allowing the CHMC to continue offering mortgage insurance services throughout Canada.

I want to stress that this $50 billion increase is not an expenditure and is not costing the government anything. The bill also stipulates that any future increase in the aggregate amount of outstanding loans is subject to parliamentary approval.

[*English*]

While the amendments contained in the bill represent administrative matters, passage of the bill is essential to the continued operation of CMHC's mortgage loan insurance.

The federal government provides mortgage loan insurance to all Canadians regardless of where they live in Canada, at the smallest feasible down payment and the lowest possible cost. Due to the success of mortgage loan insurance, the current ceiling needs to be increased to allow CMHC to continue to insure new mortgages.

In 1994 CMHC's total mortgage insurance activity was over $24.7 billion, representing over 300,000 units. Approximately 40 per cent of the mortgage stock in Canada has involved financing with CMHC mortgage insurance. As well, approximately one–third of the housing stock in Canada was built with the help of National Housing Act insured financing.

Allow me to take a minute to explain why this bill is so important to Canadians.

[*Translation*]

Housing is a basic need. It is generally recognized that access to affordable and adequate housing is essential to individual well–being and therefore to a healthy, productive society. It goes without saying that a well–housed person is more inclined to contribute to the community.

For these reasons, the desire to own a home remains strong among Canadian people.

[*English*]

CMHC mortgage loan insurance allows Canadians to access affordable housing. Homebuyers can secure up to 95 per cent financing from an approved lender because CMHC insures the loans that are made by the approved lender. Because CMHC will assume the risk should a borrower default, mortgage lenders are able to make available more money to finance mortgages for Canadians and at a lower cost than would otherwise be possible, thereby making home ownership more affordable.

With CMHC assuming the risk of borrower default, lenders are able to reduce the mortgage financing rates. Lower mortgage financing rates mean more affordable homes for Canadians.

One of the most important aspects of CMHC's mortgage loan insurance is its public policy mandate to provide equal access to mortgage financing at the lowest possible cost for all Canadians regardless of where they live in Canada. This equal access is made possible through the pooling of higher risk business with lower risk business.

Without access to CMHC's mortgage loan insurance, Canadians in some parts of the country would have to come up with the conventional 25 per cent of the value of the house as a down payment.

Needless to say, many Canadians would hardly ever be able to purchase a home if this were the case. CMHC's mortgage insurance is therefore critical to helping Canadians access home ownership.

[*Translation*]

The CMHC's mortgage insurance fund is self–financing and therefore is not costing the government anything. Under CMHC policy, the fund must become self–financing in the long term but only through the premiums and fees paid by borrowers.

Premiums are equal to a percentage of the loan, which varies according to the amount borrowed and the ratio between this amount and the value of the property. Premiums are set so that there is always enough money in the fund to cover any claims.

• (1810)

[*English*]

The government introduced the first home loan insurance initiative in 1992 and reduced the minimum required down payment to 5 per cent for first time homebuyers. This 5 per cent initiative has been a tremendous success in helping to increase home ownership in Canada.

Since November 1993 over 235,000 Canadian households have taken advantage of the lower down payment to become the proud owners of either a new or existing home. First home loan insurance is an excellent example of CMHC's ability to adapt its mortgage loan insurance activity to ensure that Canadians can enjoy the benefits of home ownership.

[*Translation*]

Some have suggested that the government should get out of the business of mortgage loan insurance and leave it to private industry. But it is important to know that, without CMHC providing mortgage insurance, Canadians would be forced to deal with a private sector monopoly, which would result in higher prices and fewer choices.

We must also bear in mind that the NHA mortgage loan insurance provides Canadians with equal access to mortgage insurance in whatever part of the country they live in.

GE Capital Mortgage Co, our competitor, does not provide similar services in 18 areas in the country. Competition is the best way to keep prices at the lowest possible level to encourage innovation in the mortgage industry to meet the changing needs of Canadian consumers.

[*English*]

It has been suggested that CMHC should get out of the mortgage loan insurance business and leave it to the provinces. I would like to point out that the federal government has a constitutional responsibility for banking and finance. CMHC mortgage insurance and guarantee are a demonstration that the federal government is fulfilling this responsibility.

Without CMHC, there would be a federal policy vacuum in the system of housing finance. The result would be unequal access to home loans across the country. Furthermore, borrowers of modest means could pay more for low down payment mortgages or have no access to financing altogether. Housing constitutes an engine of economic growth responsible for creating many thousands of jobs and business opportunities in communities across the country.

Housing accounts for about 7 per cent of the world's domestic product, over half of all construction and one out of every 12 jobs in Canada. House construction and renovations create jobs and business opportunities. For every $100 million of construction spending, 2,310 person years of employment are created on site and in directly related supply and service industries.

The federal government through CMHC has been providing national mortgage insurance for four decades in Canada. CMHC has remained a significant player throughout this time with a mandate from the federal government to provide mortgage insurance to support loans to all Canadian homebuyers regardless of where they live in Canada at the smallest feasible down payment and the lowest feasible cost.

In conclusion, today the private housing market is able to meet the housing needs of the vast majority of Canadian households. There is no doubt that CMHC's mortgage loan insurance has played a critical role in that achievement.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I rise in this House today to participate in this debate on Bill C–108 to remind the hon. members how important social housing is.

Social housing is an issue of great concern to me because I know how much some of the people in my riding who are living under the poverty line—50 per cent of the people in my riding are living under the poverty line and 28 per cent are on welfare—rely on social housing.

That is why, in April 1994, I presented in this House a motion requesting that several major measures be initiated, such as entering into agreements with the Government of Quebec to reactivate the co–operative housing program, putting in place a rental housing renovation assistance program and restoring the public housing program, and that Quebec oversee, of course, every aspect of these programs.

• (1815)

In response to that motion, government members assured me that social housing was a laudable and important principle. In particular, the parliamentary secretary to the solicitor general told me, with a hand on his heart, about the great co–operation between Quebec and its big brother, the federal government. He even criticized me, sardonically, for asking that the province be given back the moneys allocated to social housing, given the harmony that prevailed.

Nothing is settled yet. Worse still, particularly for a government elected on the basis of its commitments to social justice and dignity, nothing was even done. Nothing at all. As we say, nothing not. Sure, the nice principles remain nice. They are still used occasionally to illustrate the virtues of certain policies, particularly federal ones. We no longer believe them. But, for my constituents, for other Quebecers, and even for Canadians, nothing has changed.

Figures do not lie. They do not indulge in nice rhetoric. They do not wax eloquently on noble feelings. Figures are there and they tell the story. What do they tell us or, rather, what do they keep telling us? They tell us that nothing has changed. Last year, the federal government did not build a single social housing unit. This year, it is a repeat performance, zero. You heard me right, zero. The federal government is no longer involved in building social housing units. It is content to express noble feelings.

Figures also tell us that, from 1989–90 to 1993–94, Quebec received barely 19 per cent of the total money spent by the CMHC. Yet, 25 per cent of the country's population live in Quebec. Moreover, during that same period, Quebec accounted for close to 30 per cent of Canadians living in inadequate dwellings.

Then they tell us that the federation is good for Quebecers. They try to make us feel guilty for wanting to leave such a nice family, a family that is so fair to one of its children. The facts speak for themselves, and eloquently so. For five years, the federal government acted in an absolutely unfair manner towards Quebecers living in inadequate dwellings. Then, it totally withdrew its support to social housing. It did not care at all. The results are tragic for Quebec: an estimated $1.3 billion shortfall, taking into account existing needs.

In the meantime, our Ontario neighbours, who were so fond of us just before the referendum, took considerable advantage of the federal manna. Now, let us look at figures. In 1991–92, Quebec received 19.3 per cent of the expenditures of the Central Mortgage and Housing Corporation. Ontario got 34 per cent. This is a difference of 14.7 per cent. I am not making it up, these are the figures.

In 1992–93, the difference between Quebec and Ontario was 16.8 per cent and, in 1993–94, it was 14.1 per cent. As I said a few moments ago, the figures speak very clearly. For those in my riding with housing problems, the figures do not count for much. What counts is results. In their experience, public housing is becoming a very rare commodity, especially in Quebec.

My constituents know that, for many of them, public housing is often their only means of getting decent and affordable housing. The 4,300 single mothers waiting for public housing in my riding know this to be so and do not find the situation amusing. The federal government got out of public housing without transferring tax points in exchange. Quebec is now stuck, as is happening in more and more instances, with needs to fill and no money to do it. So much for their great federalism, we have no use for it.

• (1820)

[*English*]

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–108, an act to amend the National Housing Act.

Bill C–108 proposes to increase the aggregate amount of outstanding Canada Mortgage and Housing Corporation, CMHC, loan insurance from $100 billion to $150 billion, plus any additional amounts that may be authorized by Parliament. Put simply, Bill C–108 increases CMHC's liability limit by $50 billion.

Many members on the government side seem to think that $50 billion in liability is not a big deal and they are affronted that Reform is questioning the bill. They are in such a hurry that they pushed clause by clause consideration of Bill C–108 through standing committee in a record 30 seconds, a record 30 seconds for $50 billion. This is hardly the fiscally responsible approach that Canadians expect from their government.

Our deficit continues to be a reality that will not go away until something constructive is done. The debt load that each taxpayer has to carry is immobilizing the nation. Yet the Liberals continue to overspend. The Liberals are not cutting back; they are spending more. For example, last year alone their spending increased by $2.8 billion.

The national debt is presently at $566 billion and is increasing every second. Canadians are so strapped with debt that they cannot move forward. It is little wonder, given this situation, that the housing market has slowed to a crawl in Canada. The average person simply does not have the money or financial security required to invest in a long term mortgage. Increasing the loan liabilities for CMHC will not change the hard financial reality that many Canadians are facing today.

The government promised jobs and it promised deficit reduction. Yet Canadians are facing higher unemployment and more taxes. Things are not getting better, and the government refuses to make the changes necessary to turn things around.

The Liberals are still practising the same old politics that got Canada into this deficit in the first place. Liberals are spending, buying jobs, artificially propping up private industry and messing up private markets. All this does is drive us deeper into debt.

Increasing the CMHC liability limit for insuring mortgages is nothing more than government speculation without money. The government has done this on several occasions. For example, Bill C–91 expanded the loan liability of the Federal Business Development Bank from approximately $4 billion to $22 billion. Bill C–75 increased government loan liability for farm improvement and marketing co–operative loans from $1.5 billion to $3 billion. Outstanding loans under the Small Business Loans Act rose from $3 billion to $6 billion in 1995 and is now up to $12 billion. This is only a small segment of Liberal initiatives to increase federal loan liability.

Although liabilities may not involve borrowing money, they are a risk that if defaulted will cost taxpayers money. The government has grown accustomed to handing out grants left, right and centre. Accordingly government liability simply increases our chances of going deeper into debt.

In addition, Canadians should be particularly concerned that the government does not know what its outstanding liabilities are at this time. CMHC could not tell me its outstanding liability at this time or 10 or 15 years down the road. This is not acceptable.

Liabilities are risks. When mortgages are defaulted these liabilities fall back on the taxpayer. When the bill was in the House for second reading a few weeks ago, Reform members asked the Liberals again and again who pays on defaulted mortgages.

Mr. Forseth: Who pays?

Mr. Gilmour: The taxpayer pays. Let me make that perfectly clear to members on the government side because there was a great deal of confusion with government members on the Reform position on the bill. We are not advocating an end to CMHC mortgage insurance. We are saying that $100 billion worth of liability is enough. The government does not need to add another $50 billion in liabilities.

• (1825)

The fact that the government is asking for the additional liability to be retroactive to 1994 indicates that CMHC has already overextended its liability limits. Canadians should be concerned that CMHC needs to increase its liability funds, not only because there is no guarantee outstanding liabilities will not cost taxpayers but because there are obvious problems with government management of CMHC programs and funding.

I mentioned earlier that CMHC does not know what its outstanding liabilities are. This should concern many Canadians because CMHC does not appear to be keeping records of its outstanding liabilities to the expiry of its term 10, 15 or 20 years into the future.

To illustrate, access to information requests reveal, first, that CMHC does not have records of how much money it has forgiven under its residential rehabilitation assistance program. Second, it does not keep records of past contracts, only of current contracts. Third, it has no centralized records of the financial subsidy amounts and operating agreements for many of its programs, including its public housing program. Fourth, no centralized records were kept of moneys going into its aboriginal programs, which is a major component of CMHC. This is only the tip of the iceberg.

If the government through CMHC is to be doling out money and insuring loans, surely it should keep track of what it is spending, how much it owes and how much it is liable for. If the corporation cannot keep track of its fiscal activities, we should not be increasing its liabilities, especially by another $50 billion. This is not only irresponsible, it is absolutely ridiculous, particularly when we consider our debt situation.

The bill is not only a step toward deeper fiscal uncertainty. It is clearly a move in the wrong direction. The government should not be leaning toward a greater federal role in housing but rather toward a more decentralized government role.

Whatever happened to the Prime Minister's promise to decentralize federal powers? It has obviously gone out the window with many other Liberal promises.

Canadians do not want a bloated federal government. They do not want the federal government meddling in every level of provincial, municipal and private enterprise affairs. Canadians want a leaner, more efficient federal government.

The minister responsible for CMHC claims that his department is moving toward a smaller organization. Yet if the federal government is downsizing and moving away from the housing market, why is it asking for another $50 billion in mortgage money? It does not fit.

This will not downsize federal responsibilities. On the contrary, it will strengthen and increase the federal role. It is time for the federal government to realign its responsibilities with other governments. Canadians are taxed beyond belief from all levels of government. They have simply had enough.

The federal government is long overdue in easing out of a number of responsibilities duplicated at the provincial level. Canadians want a clear separation of responsibility between levels of government. They want a shift of power away from bureaucrats toward the people who pay for the programs in the first place. Canadians want an end to federal interference in the private sector. They do not want or need big brother meddling in their affairs, and Bill C–108 allows CMHC to significantly increase its presence in the mortgage market.

It is time for the government to allow private industry to do what it does best: offer consumers competitive mortgage rates. It is time for the government to stop interfering in the housing industry. Canadians want a clear separation of responsibility between levels of government and they want responsibility toward the people.

• (1830)

It is time for the government to get out of the face of private industry. Reformers are saying we do not want an increase of the $50 billion. We are not saying CMHC should get out of the market, but $50 billion is too much and because of that we will oppose this bill.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, many petitions have been submitted in the House since this government took office, and several of them, from all over the country, concerned social housing.

I personally submitted a number of such petitions. The former Conservative government gradually withdrew from the social housing sector by adopting various measures.

In 1989, it withdrew from the rental housing rehabilitation program. In 1992, it took another devastating measure in that it reduced by 21 per cent the number of new housing units. In 1993, it ended the long term financing of new low–cost housing

units. As well, the RRAP, which provided assistance to repair social housing units, was abolished. Quebec thus sustained a major shortfall.

This Liberal government made promises during the last election campaign. In October 1993, several Liberal candidates, including the current Minister of Foreign Affairs, attended a meeting with officials from the Confédération des coopératives d'habitation de la grande région de Montréal, and made commitments regarding social housing. Among other measures, they were supposed to unfreeze the CMHC budget, so as to make it possible to build 5,800 new co–op housing units in Canada. They were also supposed to re–examine the percentage of investment required of the municipalities. Hooray for this wonderful platform. But after October 25, 1993, as if by magic, the Liberal government forgot its commitments.

Let us look at what the Liberals have done since they came to power. They have dashed all hopes of new housing units being built. They have required CMHC to turn back to the government close to $270 million saved in current operating expenses which could have been ploughed back into the community.

In 1995, this government pressured the provinces to raise rents in social housing. Six provinces gave in, while Quebec made it clear that it would not. The present government is quite simply continuing along the same political path as the Conservatives before it.

Yet, the last time they campaigned, the Liberals condemned the brutal cuts in subsidized housing. Even the Minister of Finance, the same gentleman who predicted that one million jobs would disappear if Quebec voted yes in the referendum, himself pledged to ensure secure, guaranteed funding for social housing. Nothing has come of this. In Quebec, the losses over the past five years are estimated at very close to a billion dollars.

The Bloc Quebecois cannot tolerate such a situation. Social housing is more than a roof over people's heads. It is a vital element of economic and social policy. A good housing program must enable people to acquire a feeling of social identity and must provide them with the opportunity to control one of the factors influencing their lives.

For example, a co–operative housing project allows its members to live within a co–operative framework. Often various recreational activities are organized. Furthermore, members have to get involved in running their co–operative. Without their social housing, many of them would live in isolation. By dropping social housing, the government aggravates housing conditions. That, in turn, substantially increases other problems such as poverty and hunger. Indeed, poverty, hunger and housing are closely linked.

• (1835)

Consider the situation in my riding. In Chicoutimi, more than 9,000 households or 44 per cent are tenants. Of that number, 3,000 have to spend more than 30 per cent of their income on housing. This is unacceptable. This percentage is critical. Thirty–five per cent of tenants face this kind of situation. And more than 16 per cent spend half their income on housing.

This is a situation that has dramatic consequences and must be corrected. To pay the rent, an increasing number of tenants are forced to cut back on essentials like food. In many households, even that is not enough. The statistics of the Régie du logement show that the number of tenants behind in their rent is increasing, not because they are more reluctant to pay but because the proportion of their income they must spend on rent is too high.

In its health and welfare policy, the Quebec government stated in 1992: "The cost of housing is a major item in a family's budget. If the cost of housing constantly causes major cuts in the budget for food, clothing and recreation, the quality of physical and mental health will be affected".

In 1993, the UN committee on economic, social and cultural rights published a report on poverty in Canada. The report paints a damning picture of the housing situation. That committee was surprised to learn that social housing expenditures did not exceed 1.3 per cent of public spending.

In this era marked by a lack of permanent jobs and basic social rights, social housing is an important problem and will become increasingly so. The very health of those living in inadequate housing is at stake. We know who these people usually are: women who are the main breadwinners in their families, people who live alone, single parent families.

To tackle the problem, the government must substantially increase investments in housing, which would result in significant savings in health and social services. We must also consider the considerable impact on employment, which would be very beneficial at this time.

The government should develop an ambitious housing policy focused on building new social housing units by the year 2000, with a view to offering quality, environmentally sound housing, with adequate services and facilities for handicapped and mobility impaired people, among others.

[*English*]

The Deputy Speaker: Pursuant to an order made earlier today by unanimous consent, the question is deemed to have been put and a recorded division deemed demanded and deferred until tomorrow at 5.15 p.m.

SMALL BUSINESS LOANS ACT

Hon. Sheila Finestone (for the Minister of Industry) moved that Bill C–99, an act to amend the Small Business Loans Act, be read the third time and passed.

[*Translation*]

The Deputy Speaker: Again, under the terms of the agreement, a member from each party will be allowed to speak to this bill for 10 minutes.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I appreciate the opportunity to speak on third and final reading of the amendments to the Small Business Loans Act.

I will review some of the initiatives we have accomplished in the industry committee over the last year. It is important to do this because I see in the House tonight the member for Okanagan and the member for Trois–Rivières, the members who led the debate on behalf of their parties.

• (1840)

The industry committee in the last year was one of the most unique committees on Parliament Hill. When the public sees members of Parliament getting together, especially in the Chamber, all it sees is the adversarial debate. It sees by and large the experience of question period, which is such a misleading image of what the Parliament of Canada is all about.

This will be my last speech in the House for this year on matters related to industry and on the whole issue of access to capital. To the members for Trois–Rivières and Okanagan, it was a real pleasure.

When I leave the House to go back to whatever I will do when it is all over and reflect on my experience in Ottawa, I will say one of the most productive years in Ottawa was working on this committee when our focus was so united on the whole issue of access to capital for small and medium size business men and women.

I believe with all of our differences on distinct society and veto and so on, and goodness knows there are a lot of other issues we differ on, there is one common cause shared by every member of the House: the small business community represents the greatest hope for putting Canadians back to work.

The number one issue or the number one difficulty that community faces is the issue of access to sufficient capital to support its risks, to support its basic business activity. If we move the banks an inch, and I think we have moved them only an inch, it is because banking institutions have not been able to break up or divide the industry committee. We have worked as a team.

I have to confess to Canadians that the best lobby system on Parliament Hill is the financial institutions. They have a way of lobbying and intimidating, but we held firm in our convictions, in our cause in the last year. I hope that over the next year we can keep that type of commitment. Whoever else is on the industry committee, I hope they carry on with the torch and keep that cause moving forward.

I am optimistic about this. Last night I watched the Prime Minister in the second national town hall meeting. Canadians from across the country asked the Prime Minister many questions. I remember vividly the question from a small business entrepreneur who ran a grocery business. He asked the Prime Minister when he was going to get serious about his commitment to take on the banks.

• (1845)

I was pleased that question was put to the Prime Minister and for a split second it caught the Prime Minister off guard. The Prime Minister is well aware that we are working hard on the issue. Because we are working as a team one would think we would be moving the banks forward, but it is such a small movement that it has not really impacted yet. The Prime Minister said that we have been working on that.

The idea was put forward by the member of Parliament for Trinity—Spadina. He has been pushing, debating and arguing for the past year and a half that all banks in Canada should have a target of approximately 30 per cent of their total corporate loan portfolio devoted to the small business sector. I was stunned that the Prime Minister mentioned that objective. Many members of the committee thought that the member for Trinity—Spadina was being overly aggressive in directing the banks on to whom they should lend money. I opposed the member's recommendation that these targets be put in writing.

I am beginning to think that maybe the member for Trinity—Spadina was right when he told us a year ago that the banks were not really going to deal with the issue unless we gave them a specific benchmark. The member for Okanagan remembers how we almost ganged up on our fellow member saying that we cannot go quite that far, that we cannot dictate 30 per cent of the total loan portfolio.

The Deputy Speaker: Order. My hon. colleague does not seem to realize that the agreement was said to be a maximum of 10–minute speeches for anybody from the three parties speaking on the bill.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, in summary, the bill before us tonight is a reinforcement of the government's commitment to support small business loan activity. We have accepted amendments to the bill from the Reform Party.

I hope that as we head into the new year which is just around the corner, that the signal all members of the House have sent to all the financial institutions through speedy passage of bills and through the speedy and united recommendations in our "Taking Care of Small Business" report will be recognized.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, it is with pleasure that I rise to participate in the debate at third reading on Bill C–99, an act to amend the Small Business Loans Act.

Before going any further, I would like to make a few comments about what our colleague, the Parliamentary Secretary to the Minister of Industry, said. If I understand correctly, our colleague told us that he was leaving at least—unless I misunderstood—the Standing Committee on Industry, if not the House itself.

• (1850)

In any event, if he is indeed planning to leave the industry committee, I would like to tell him again—I say again because I already had the opportunity to tell him through the Speaker—how much I appreciated working with him and what a distinguished parliamentarian the hon. member for Broadview—Greenwood is. I was in a position to appreciate his many fine qualities and his great contribution to the work of the committee. As a man, I have always considered the hon. member to be a liberal in the noblest sense of the word and a humanist as well. I hope to have the pleasure of continuing to work with him.

Mr. Mills (Broadview—Greenwood): A true liberal.

Mr. Rocheleau: A true liberal. The personification of distinct society.

I shall now turn to Bill C–99, and try to make the most constructive criticism possible. We must bear in mind that Bill C–99 was introduced as a result of one of the measures announced in the last budget speech, when the finance minister expressed hope that the Small Business Loans Act would become self–financing. As we know, in 1993, the administration of this act is said to have cost the public purse in terms of coverage—let us call it a bad debt for the sake of discussion—nearly $32 million on a $4 billion small business envelope.

This $32 million in lost income for the government is expected to grow to approximately $100 million this year on an envelope now totalling $12 billion; that is how much can be loaned to small business through lending institutions.

We agree that this is a burden that must not be overlooked, a burden on the taxpayers. But at the same time, we believe that, before limiting in any way the scope of this bill, which is a good bill, the government should conduct—and this is one of the recommendations made by the official opposition that was almost approved by the industry committee—a cost–benefit analysis of administering the act. Because, if the $32 million or $100 million in question are considered as money injected by the government in the economy, then we have less trouble talking about this shortfall.

Talking not only of cost, whether it be $32 million or $100 million, but also of benefits, would give a better idea of the jobs created, the direct and indirect taxes collected by the government because of such job creation and the survival or expansion of companies as a result of incentives provided by this act.

We know the social and economic importance of jobs—there are consequences, we will never say it enough and this is a particularly good forum to do so—and of lower unemployment; it may be better education for children, less family violence, less violence against women, less violence against children. It may also lead to a lowering in drug consumption; it may be workers more inclined to do their bit to get the economy rolling, that is for sure.

Coming back to this act, before amending it in a significant way, we should bear in mind all the benefits. Unfortunately, the government did not accept the recommendation of the official opposition which had been approved by the industry committee.

Now for the particular provisions of the bill we do not agree with. There are three of them. The first one is the liability, whereby the government guarantees 90 per cent of the loan provided by a lending institution. This liability will be reduced from 90 per cent to 85 per cent. This is our first objection. The second one deals with the fact that personal securities are still required. Thirdly, administration fees will be offloaded onto borrowers through higher interest rates.

• (1855)

As I was saying, our first objection deals with the reduction in liability from 90 per cent to 85 per cent. We argue that it will have particular significance for smaller lending institutions. In Quebec, this means the caisses populaires you find in every village and which make only a few dozen loans per year and which, seeing their protection lowered, will be inclined to lower their risks, and therefore limit their loans to the most secure businesses. Therefore, the effect on smaller lending institutions will probably be felt rather quickly.

Our second objection is even more important, because this bill will have particular impact on high tech businesses, which are the future of our economic development. These businesses are based on the knowledge, the expertise and the skills of the employer, the owner–manager, who cannot offer tangibles guarantees to the credit institution. All he can offer is his skills, which are impalpable, intangible. Therefore, there is a higher risk for the credit institution; the same is true for businesses

which are starting and have no background, which have nothing to offer.

Since they have no records to show, these businesses cannot reassure the bank. Consequently, the banker's risk being higher, it is expected that it will be the high tech businesses on which we are counting increasingly, as well as the new businesses, that will be most affected by these new provisions.

Particularly if the government sees, in the coming years, that only 85 per cent coverage is still not sufficient, it may further reduce its risk. It will be able to reduce it to 80, 75 or 70 per cent, by way of regulation, without holding a debate in the House, without permitting us to talk about the borrowers' interests, without permitting us to face the executive branch and either applaud or condemn the government's policies. To act by way of regulation in such a matter is not very nice.

The second major objection relates to maintaining the personal guarantee that could be required by the lender. In that regard, a commitment made in the red book of the Liberal Party of Canada was conveniently forgotten. This makes us sad, because we believe that, because of the guarantee that the lender enjoys through the involvement of the federal government in the transaction, personal guarantees could have been applied instead to another transaction between the banker and the borrower, who could have offered his home, his car or part of his personal wealth as a guarantee to develop another type of project that would not be covered by the Small Business Loans Act.

Finally, we are concerned by the establishment of an administration fee the percentage of which could be set through regulation, again without any debate, surreptitiously, arbitrarily by the government, and also by the fact that the fee provided for in the legislation can be passed on to the borrower through interest rates, so that the lender can get even richer.

Therefore, for these three reasons, we will vote against this bill.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is a pleasure to rise to debate Bill C–99, an act to amend certain parts of the Small Business Loans Act.

I too was rather impressed by the parliamentary secretary's comments as to how the industry committee functions. From his description of that committee I cannot help but say I have to be one of the most fortunate MPs in the federal House of Parliament. My first experience in Ottawa was to be made a member of the best committee on the Hill. That is really something. My hon. colleague has been on other committees and if this is the best committee, that is great. The committee has worked well.

• (1900)

What has happened with Bill C–99 is an example of what can be done and how Parliament should function because all members put aside their partisan differences, their political affiliations and came to an agreement on some very significant matters that are exemplified by the provisions of the bill.

Members of the Reform Party are going to support this bill, despite the fact we have some rather grave reservations about the whole concept of the Small Business Loans Act. The Small Business Loans Act is based on the provision of a form of subsidy of certain kinds of financing to private enterprise. The reason we can support the bill is because the amendments bring about an accountability of that program and it is supposed to have 100 per cent cost recovery. If that in fact happens, then some of our concerns are going to be mitigated to the point where they do not exist.

We also want to support this bill because the Reform Party motions that were presented in committee were accepted by the committee and by the minister. It is necessary to recognize the significant role the Minister of Industry played in this decision. Communications went back and forth about the provisions, especially the one which removed the authority of Parliament and shifted it to the cabinet. This took authority away from the representatives of the people and put it in the Privy Council committee to make decisions behind closed doors.

The committee, as well as the minister, saw that was probably not the most democratic thing to do and went so far as to say that it should be taken out. An amendment to that effect was presented to the committee by the Reform Party and it was accepted.

Members need to recognize that these are the kinds of things that Parliament really should be doing. In certain instances we should put aside political and partisan differences and say that for the good of the people of Canada, for the business development of Canadians, we need to do something that will help all of us. In this instance that was accomplished and it was to the credit of all those who had a part in it.

I want to talk about the concept behind the Small Business Loans Act. Reform Party members do not think that the government should take risks on behalf of the taxpayer. Those risks should be taken by the private sector. That is why we object to the principle behind the Small Business Loans Act. However, that is not our concern at this point. Our concern is to make the act better and the amendments do that. That should demonstrate to all and sundry that the Reform Party is a reasonable party.

We recognize there are certain gaps that need to be filled from time to time and we have done that. In this instance that has happened. I want to credit the committee, the Minister of

Industry and the parliamentary secretary on recognizing that and getting to work and doing it.

The House needs to recognize that the financial industry in particular is one of the most difficult industries or institutions to move. The parliamentary secretary suggested that maybe we have moved the banks an inch. I am not so sure. Almost I think that is optimistic.

Mr. Mills (Broadview—Greenwood): I was exaggerating.

Mr. Schmidt: Maybe we only moved them a quarter of an inch. The important thing is we moved them and that is significant.

I recall the first day I met the hon. member at the committee meeting. Members of the committee were deciding what to make our focus. I remember so clearly the absolute commitment that this member of Parliament had when he said: "Mr. Chairman, there is only one thing that this committee should deal with and that is the access to capital by small business. That has to change and that has to be improved. If we achieve nothing else in this 35th Parliament, that is what we have to achieve". He turned to the chairman and said: "Mr. Chairman, that is your job as chairman, to make sure that this committee gets that job done". He did not ever deviate from that focus. His enthusiasm infused other members of the committee. They too said: "Yes, that is what we want to do".

• (1905)

It has been successful. We have moved the banks maybe a quarter of an inch. I hope that a year from now we can say that we have moved them a half inch or three–quarters of an inch. I would like to move them a mile. If a good idea, an innovation of an entrepreneur wishing to establish himself is supported by the financial institutions, that would be a great step forward.

I know there are all kinds of words being used. One of the banks recently announced a $300 million venture fund which it was going to establish so that innovative ideas could take root and businesses could develop. Three hundred million dollars. That bank made almost $1 billion in profit last year. That is not even one–third of its profit. That is not a very great concession on the part of one institution.

We have to go much further than that and I believe we can. If the financial institutions were as concerned about building small business and about supporting the high tech industries as they are about lobbying MPs, Canada would grow. Canadians would begin to do the kinds of things that we imagined, which the banks often stopped.

When will we see the kind of co–operation from the financial institutions which was evident from the various parties that were represented in committee? Surely the imagination of the members of the committee is not restricted to them. Surely the financial institutions can also use some imagination and say: "If 85 per cent of new jobs are created by the small business sector, then we had better get on the ball. Then we will make even more of a profit than we are making now". Sometimes the financial institutions think as far as the end of their noses and no farther. It leaves me dumbfounded.

On the other hand, we also have to say that the banks agreed to do something. They actually agreed to provide to the committee on a quarterly basis numbers which will allow us to compare their performance from one quarter to the next. That is wonderful. If this results in them moving the next inch so that the building and growing process for small business can be achieved, the task and purpose of the committee will have been rewarded.

This committee has demonstrated that it can be done. The amendments to the bill indicate that the parties can co–operate. Reformers support the bill, however, I would like to make it clear that does not mean we like the idea of subsidizing business, whether it is through the banks or in any other way. That being said, we will support the bill because of the things which I have outlined.

[*Translation*]

The Deputy Speaker: Dear colleagues, pursuant to the order made earlier today, the motion is deemed to have been put and agreed to.

(Motion agreed to, bill read the third time and passed.)

[*English*]

Under the same order made earlier today, the House will now proceed to Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

PROTECTION OF PERSONAL INFORMATION OBTAINED BY CERTAIN CORPORATIONS ACT

The House resumed from November 30 consideration of the motion that Bill C–315, an act to complement the present laws of Canada that protect the privacy of individuals with respect to personal information about themselves obtained by certain corporations, be read the second time and referred to a committee.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Bill C–315, put forward by the hon. member for Cariboo—Chilcotin, proposes to improve the privacy of individuals with respect to personal information obtained by corporations. I wonder why he is interested in that. Is privacy important?

As our society advances, new technologies are available to us. Let me talk about two of those new technologies. One I favour is a technology called a smart card. A smart card is designed to have information encoded on it to prevent abuse of our health

care system. Abuse of our health care system is something that most Canadians would like to see addressed. A smart card would allow the individual to present themselves to their physician. The card would be encoded, recent medical information would be accessible which would prevent double doctoring, double testing. In fact, it would prevent some overspending of significant amounts of money. A smart card sounds like a good idea for that purpose.

• (1910)

Let us take that idea one step further. I have seen cards used in the grocery stores where an account can be debited very quickly. I heard someone say that those cards could be made smaller and implanted under the skin. It could have a significant amount of personal information on it. It would be scanned, some numbers punched in and bills could be paid that way.

I also heard it said that the little implanted chip would allow a satellite system to know someone's location at any time. Now you could never get lost. That is the final step in the use of the smart card for those of us who are too dumb to figure out where we are.

Are there pitfalls on the issue of privacy with these new computer technologies which are available to us? Are people aware and concerned about computer technology? I believe they are. I can give two recent examples. Ontario is bringing out an omnibus bill in which one of the concerns is the issue of privacy of information. The omnibus bill looks as though it will make information more available to legislators and there has been an outcry about that issue.

Bill C–7, recently passed in the House, had significant components which related to privacy. There were a number of very public concerns about the information being made available. I believe this bill has some component of public concern to it and the interest is reasonable.

When can we go overboard with information that should not be made publicly available? That is my question. When do we go overboard?

I would also like to step back a bit and say that there are times when I do not think information is made publicly available which should be made available. I would like to use two examples.

Across from an elementary school in my riding is a house called the drug house. The teachers say that drugs are sold from that house. They have watched this going on for eight years.

I went to a meeting with the RCMP, the mayor and some community activists to find out what could be done about this drug house. Apparently people arrive at the house, quickly go in and out, having made their drug deal and off they go. It is known to the police and the principal and it is now known to the MP. Surely this can be stopped. This is not a great thing to have across the street from an elementary school. Also the junior high school is not far away.

The RCMP told me their hands were tied. My reply was that surely they could go to a justice of the peace and say that there are reasonable grounds to suspect and search this house. I was told that the rights of the individual in that house would be trampled on if we did that. I said that surely the rights of the kids in that elementary school would take precedence. I was told: "No, doc, that is not the way it works. Our legal system has put the rights even. The kids and the people in that house have equal rights". I was puzzled by that. I do not agree with that.

• (1915)

I have another example. A man raped a young woman, was caught and sentenced to jail. She in her wisdom wondered whether he could have infected her with a disease. She went to the court and asked that the rapist have a blood test because she was living in fear that she may have AIDS. His reaction was: "No chance. My rights of privacy say you cannot touch me".

I say wait a minute, if the rights of the victim collide with the rights of the criminal, and in this case they do and she has a legitimate need to know, whose rights should take precedence? The victim's rights take precedence over his.

When I tell that to students in high schools, you should see how upset they get. I challenge members opposite to ask students in high schools whose rights should take precedence: his privacy or her need to know. They will say very quickly whose rights should take precedence.

There is another side to the privacy issue, the charter of rights and freedoms, which today does not talk about responsibilities and puts those rights side by side. It needs an adjustment.

In a previous conversation there was talk about banks. Banks have information that is profoundly private. Banks want to get into the insurance business. There has been quite a lobby in that regard. They have a monopoly in the banking interests. They now want to get into the insurance business. Since Reformers are really interested in free enterprise, why would I be concerned about banks stepping into the insurance business?

If they are to step into the insurance business they had better be willing to open up the monopoly they have in other businesses. They had better let the insurance companies in there. They had better let the insurance companies have access to Interac. They had better let the insurance companies have access to the private information on an individual's account, where they spend their money, how they spend their money. It is a very unfair advantage if they are competing with the private insurance business.

On the issue of privacy where the banks are concerned great caution needs to be exercised. There is a need for Bill C–315 by the member for Cariboo—Chilcotin. There is a need for a look at privacy in relationship to the electronic age we are in. I would like it considered very carefully.

I suppose the government should bring in its own bill which would get the stamp of approval of the government. The member for Cariboo—Chilcotin might well be a little disappointed that his bill did not get in, but probably he would accept that change is needed. I will watch with interest for those changes.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent for the following motion. I move:

That, in the event that a recorded division is demanded on Bill C–315 later this day, that such a division be taken tomorrow, December 13, 1995 at 5.15 p.m.

The Deputy Speaker: Hon. members have heard both the terms of the motion and the request for unanimous consent to introduce it. Are both acceptable?

Some hon. members: Agreed.

(Motion agreed to.)

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, I am pleased to participate in today's debate on Bill C–315. I wish to acknowledge the initiative put forward by the hon. member for Cariboo—Chilcotin in his desire to see the privacy of Canadian citizens protected. However, I feel there are several weaknesses with the bill. As a result, I will not be lending my support to its passage.

The issue of privacy is perhaps a very central one in the technological society of today. However, we must not confuse the broader issue of privacy protection, an issue which we are pleased to see debated in the House in the context of this bill, with the reality of Bill C–315. While it is designed to protect privacy in the context of the sale of marketing lists, it will scarcely achieve that because it is so narrowly crafted.

• (1920)

Here again are some of the features of the bill. It is designed to stop the sale of marketing lists without the consent of individuals whose names are on the list. Before selling a list containing names and personal information of individuals, a federal corporation must send a notice to the individual seeking consent for the sale.

The firm must ensure it receives consent and has not received a request to remove the name from the list. If it has, it must remove the name or particulars pertaining to the individual within 10 days.

A firm which buys a list must also send a notice to the individual informing the person of what is on the list, where it came from and that he or she may request to have their names or data removed from the list. Requests for removal of names or data must be processed within 10 days and corporations must send confirmation to the individual.

Contraventions of the act are punishable by fines of up to $5,000 for the first offence and up to $10,000 for subsequent offences.

[*Translation*]

I do not support Bill C–315, because I feel that it is flawed in several ways. The definition of "personal information" is not comprehensive and does not meet the current standards of related federal and provincial acts. Marketing lists are not sold, they are rented. In its present form, this bill would not affect customary business practices.

It would be inconsistent with the Quebec privacy act, which includes a carefully drafted section on the use of name lists. Moreover, the bill only applies to a limited number of federally regulated corporations. It would not prevent the vast majority of list sales and would affect only a fraction of the problems of protecting personal information, thus giving consumers a false sense of security.

The cost to businesses would be prohibitive, and consumers would view notices seeking their consent as another wave of intrusive advertising.

The government is considering various aspects of the protection of personal information. Consumers are becoming increasingly concerned about what will happen to their personal information in the interconnected world of the information highway. They want the government to react and legislate.

Canadian businesses want to enjoy the advantages of an electronic business environment where bureaucracy and paperwork can be reduced, where they can create a closer relationship with their customers and business partners, and where administrative processes can be simplified and computerized.

If there are to be rules regulating the use and protection of personal information, businesses want those rules to be consistent and predictable.

[*English*]

The Information Highway Advisory Council presented a number of recommendations in its final report, including a call for the federal government to table flexible framework legislation based on the Canadian Standards Association model privacy code. This model privacy code is the product of a consensus committee of consumer representatives, key industry players such as the banks, telecom companies and the direct marketing association and provincial and federal government representatives. It makes a sound basis of consensus for us to start from when we are thinking about the protection of privacy.

We are studying these recommendations now with a view to action and to presenting a much more comprehensive approach to the problem. The Minister of Industry will be making an

announcement for the protection of personal information in the context of the government's response to the report of the Information Highway Advisory Council.

While I agree with the spirit of Bill C–315, I believe the points which I have outlined clearly explain why the scope of the bill is too narrow and why it cannot be as effective as the hon. member would like it to be.

• (1925)

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I thank the hon. member for Caribou—Chilcotin for the introduction of his private member's Bill C–315.

The bill will protect the privacy of individuals with respect to personal information about themselves obtained by certain corporations. There have been many times when my mailbox at home is literally stuffed with so–called addressed junk mail. We all get it and I think it is safe to say most of us do not like it. In most cases it is a request for money for an obscure organization or it is an ad for a product we know will not be exactly how it appears in the picture.

We file this mail in the circular file, file 13, in a place where it rightfully belongs. However, what is it exactly that I am throwing out in that situation? Is it just a letter or a notice from some organization that happened to get my name and address out of the phone book? Chances are it did not come from a phone book but rather from some corporation that had me on its computer list and that corporation probably sold my name as a part of a mailing package to some interest group that has an interest in me as part of a targeted marketing scheme.

What could it know about my personal information? It can include a variety of things and could be gathered from several different sources. It could include a home address, business address, unlisted telephone numbers, physical characteristics, health records, education, employment, financial history, social insurance number, the magazines we read or even what political party we belong to.

Every Canadian who uses credit has their credit rating and related information stored in American computers and filed under their Canadian social insurance number.

Members should recall what was said in the House by the government of the day when the social insurance number was introduced. The government of the day misled us. Canadians, as it is now commonly observed by the commentators, were lied to about the scope, the use and the implications of our social insurance number. However, we cannot now turn back the clock of history. However, we can remember what group broke faith with Canadians on this subject. It was the Liberals.

It is an old story, the social insurance number debate in the House with the solemn promises made, especially in stark contrast to the current state of affairs. Are we any wiser now in this techno age? Are the Liberals? That is why we need much more protection in this general area. This private member's bill is a useful part of that developing awareness.

Opponents might say disseminating such information is not serious. I point out some examples that caused me to believe the issue is quite serious. In a recent *Globe and Mail* article a story was raised about a computer company that recently sent samples of its Internet browsing software free to four million people. However, when it was used the sample software automatically dialled up the company's home page, gathered information about users without their permission, gathered Internet addresses, types of software being used on the computer and who knows what else.

There are people who are geniuses with computers. They are capable of breaking encrypted codes and getting access to top government information. If they are able to get this type of information with ease there is no question what type of information they can obtain from me all without my knowledge or my permission yet still completely legal. This bothers me and I am sure that when more Canadians are made aware of this it will trouble them as well.

The Internet is something completely new I am sure to most members of the House. Computer technology seems to be updated hourly, too fast for me to keep up. Last year I purchased a new laptop computer and at the time it was the latest technology. A week after I bought it a newer and better model was available. It is the same with the Internet. Every day someone has a new way of tapping into someone else's information.

Control of access on the Internet remains an unanswered problem. With more and more people accessing it everyday, concerns certainly rise. People have expressed a concern to me and therefore I believe something must be done. We cannot sit around and do nothing. If we do, the technological world will overrun us and could literally prevent any protectionist measures from being eventually implemented.

The computer is only one of many ways of retrieving confidential information. I have heard of a hospital employee who supplied a computer disc of names of terminally ill patients to a local funeral home. There are no clear rules surrounding our privacy. The result is a clear lack of individual security.

The largest problem with parallel provincial privacy acts is they do not cover any federally regulated institutions. Bill C–315 affects all corporations as outlined in section 2 of the Canada Labour Code such as air transportation companies,

maybe a radio station or banks or any other work deemed under the Canada Labour Code.

Today I stopped by the Bank of Montreal and picked up an application for an air miles MasterCard to check the terms of application. At the bottom of the application is the fine print that should be read before we sign our life away, so to speak.

• (1930)

I want to read what it says:

> By signing below I accept as notice in writing of and consent to you obtaining or exchanging any information about me at any time from any credit bureau, my employer or other person in connection with any relationships between us or those which you or I may wish to establish.

It is incredible. This disclaimer allows the financial institution to exchange my information, so basically other corporations may know what I purchased on my last trip. If any transaction has a name or a number attached to it, it is in the computer. The disclaimer does not indicate what information they can exchange. They simply say any information. Since most of us need a credit card, we sign off on the application and send it in. There is no getting around it. In other words, the banks have us in a catch 22. A credit card is needed to operate in the business world but complete exposure is the price of the card. Obviously all this needs to be changed.

However, the banks are against any federal changes and for obvious reason. They have their own privacy code, so they say. Linda Routledge, director of consumer affairs for the Canadian Bankers Association, said:

> The association's voluntary privacy code is already used as the basis for rigorous safeguarding of consumer information by the banks.

The banks say: "Why regulate; we have a code that works just fine". The problem is that with the code it does not allow the consumers the legal right or opportunity to complain. The power of banks is enormous and obviously they will do everything in their power to ward off federal regulators from intervening.

Canadians ought to have a right to control what is done with their personal information. I know my constituents would be completely behind me in that regard. Sure there are people out there who could not care less if anyone in the world knows who they are, what they earn, who they owe and what they owe. I am confident in saying that an overwhelming majority of Canadians are not comfortable with this type of knowledge being freely disclosed. It seems our whole lives are stored on a chip to validate who and what we are. It all comes from the computer. There is a movie playing with a plausible premise, that personal computer information could be put in the wrong hands and used in a sinister manner against the person.

The bill proposed by my colleague is an excellent foundation. It is vitally important that the bill make it through second reading and on to committee. If members have problems with the bill, they would have the opportunity to amend it in committee. We understand bills are not always perfect. That is why we have committees in this place: to make legislation better and to have successive review.

My colleague from Cariboo—Chilcotin has done his homework and produced a good bill. Along with my colleagues who have spoken before me, I too support the legislation and urge my friends from across the floor to do likewise, if not for themselves, then for the personal security of the community that has sent us here as their representatives.

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, I thank the hon. member for bringing the issue before the House. Even though I cannot support the bill at this time, the protection of personal information is a matter of concern for all Canadians and deserves a comprehensive response.

The bill the hon. member has put forward does not do enough to stop the kinds of privacy invasion Canadians are complaining about. While I share the concerns expressed by the Reform Party about the abuse of personal information in the context of direct marketing, if Parliament is to intervene with new legislation, we had better be sure that we are doing that which addresses the most broad problem of fair information practices.

Here are some areas where I feel we need change. The bill would only apply to corporations. Businesses that engage in the practices are often individuals or small partnerships and would not be covered by the legislation. It applies only to a narrow range of corporations engaging in the federal regulatory activity. It includes those in the banking, telecommunications and broadcast industries but not small entrepreneurs. Consumers want similar protection across a range of provincial and federal jurisdictions. They do not want to figure out who would be responsible.

The bill does not resemble anything now available in the provinces. It gives us no basic model to suggest to the provinces and would be an odd patch on the already spotty quilt of privacy protection. It does nothing to solve the problem of operators setting up outside our jurisdiction, such as in the United States. Technologies are changing and developing quickly these days and information is being collected and massaged in new and different ways.

• (1935)

The bill addresses only the issue of people's names appearing on lists or nominative lists as the practices are referred to in Quebec privacy legislation which covers the private sector. With information management systems changing daily it may soon be out of date to talk about lists.

Information travels everywhere and can now be vacuumed up automatically. It is no longer necessary to hand someone a computer tape to trade information. We can simply configure a computer system to make the required links.

When we address the protection of personal privacy we want to talk about the use of personal information in the broadest possible ways. The rules we come up with should address every sector of the economy, not just the direct marketing industry. Personal information is a vital commodity in just about every business from banking to telecommunications to health care.

We need necessary rules for all sectors tailored to meet the special needs of each one. Instead of working on the bill we should support the work that has been going on for several years at the Canadian Standards Association or the CSA. A consensus committee passed a model of privacy code in September of this year, the result of three years of work in the committee with representation of industry, consumers and federal and provincial governments.

The concept behind this model code is that each sector of business industry would take this set of fair information practices and apply it to its own information holdings. They would be accountable for what they did with personal information but they would have some input into the process.

The Standards Council of Canada will soon publish this code of fair information practices as a national standard for Canada. This is a first among developed countries that have addressed the issue of data protection. It is the first time that protection of personal information has been looked at in the context of standards. In this information age that is a very useful way of looking at the matter.

The CSA privacy code has the support of a broad range of private sector organizations, including the Canadian Direct Marketing Association. On October 3 the president of the Canadian Direct Marketing Association called on the Minister of Industry to produce legislation in the House that would use the CSA standards as the basis for legislation federally. He suggested that the federal government encourage the provinces of Canada to do the same in their own jurisdictions.

Much of the information that Canadians are most concerned about is information over which provinces have direct control. For instance, medical and educational records are provincial matters. The privacy commissioner of Ontario released a letter to the Minister of Health last week wherein he expressed deep concern regarding the provisions of the omnibus Bill 26 now before the Ontario legislature. That bill would permit the opening of private medical records and release officials from liability for their disclosure.

As the commissioner pointed out in his letter, 92 per cent of Canadians are expressing concern about the misuse of their personal information. It is of great concern to them. Unfortunately it is not all protected by law. We in the federal government must do our part to protect consumers' personal information, but we must also start a much broader discussion with the provinces about the issue. Only Quebec, as my colleague from the Bloc has pointed out, has moved to protect personal information held in the private sector.

Canadians deserve and want more protection for their personal information than is offered in the bill. I understand the issue is being studied by the departments of industry and justice with a view to developing solutions that will work for the protection of personal information in all sectors of the economy across the country.

• (1940)

It is a huge and complex issue because the increasing availability and use of personal information and consumer files to target service delivery affect virtually every sector of our economy. Protection of personal privacy is identified as one of the foundations vital to the network world into which we are moving.

The Minister of Industry established the Information Highway Advisory Council to advise him on how to make the most of new possibilities brought to us by the communications network. It focused on the issue and Industry Canada has produced a number of studies. The council consulted experts and produced the following recommendations on privacy.

The federal government should act to ensure privacy protection on the information highway. This protection shall embody all principles of fair information practices contained in the Canadian Standards Association draft "Model Code for the Protection of Personal Information". To this end the federal government should continue to participate in the development and implementation of effective national voluntary standards based upon this model code.

The federal government must take leadership in the implementation of these principles through the following actions.

In co–operation with other levels of government that share responsibility for various sectors of activity on the information highway, it should establish a federal–provincial–territorial working group to implement the privacy principles in all jurisdictions.

It should create a level playing field for the protection of personal information on the information highway by developing and implementing a flexible legislative framework for both public and private sectors. Legislation would require sectors or organizations to meet the standard of the CSA model code while

allowing the flexibility to determine how they will refine their codes.

In co–operation with the CSA working group on privacy and other interested parties, the government should study the development of effective oversight and enforcement mechanisms.

The government should establish a working group to co–ordinate the development, demonstration and application of privacy enhancing technologies for the provision of government services and information.

The government should update and harmonize appropriate privacy protection policies, legislation and guidelines applicable to its operations and to the delivery of government services and information.

Industry Canada should establish a working group—

The Deputy Speaker: I might indicate to the member for Lincoln that we only have 10 minutes left. Perhaps he would wish to divide his time with his colleague so that both of them could speak.

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on the issue of the protection of personal privacy. It is an issue with which we are confronted every time we open a newspaper or turn on a television. It is entirely appropriate that our laws be revisited on this subject.

When we brought in the current federal Privacy Act in 1982, it was decided that we should address the issue of personal information held by government first, so the act only applied to federal holdings. When the provinces passed their bills they did the same.

It is now time to revisit the issue. The work is well in progress. When the Minister of Industry set up the Information Highway Advisory Council to advise him, he stipulated that privacy be considered as one of the four operating principles. The council was set up to advise the minister on how Canada should meet the challenge and opportunities ahead of us in the global networks of the future.

Industry Canada released a discussion paper to sound out public opinion to see what the Canadian public and Canadian business wanted to see. The response was overwhelming in its recognition of the problem. Consumers and industry did not necessarily agree on the solution, with business pushing for voluntary codes, with most stressing the good work done on the Canadian Standards Association model code, and with consumers demanding that government act and legislate.

The Information Highway Advisory Council combined these two comments and recommended framework legislation based on the CSA standard. The Canadian Direct Marketing Association has added its voice to the debate, calling on the Minister of Industry to table framework legislation based on the CSA standard, and urged the provinces to do likewise in their jurisdictions.

• (1945)

This is the kind of flexible compromise position that is good for business and good for consumers. Business wants to be involved in crafting of marketplace rules and so do consumers. We should recognize this and work on the basis of the consensus that has been built around the CSA model privacy code, soon to be published as a national standard by the Standards Council of Canada.

There is no way that Bill C–315 however worthy in its intentions could be confused as a piece of framework legislation. I am afraid that it falls short of what we need. However the debate that we have had here in the House, thanks to the hon. member of the Reform Party who tabled this bill and so ably defended it, has been a very useful introduction to what promises to be an important and complex issue when it comes before the House.

I recommend that we urge the minister to return to us and report on the progress that has been made. I look forward to that and to the opportunity to bring about the kind of broad based protection for personal information that Canadians are expecting of this government.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I want to take the few minutes that are left in this debate to commend the member for Cariboo—Chilcotin for bringing Bill C–315 forward.

I regret that I am unable to support this bill. The issue is an important one but the approach is far too narrow. I believe that if we send this bill to committee and try to correct it we would lose valuable time trying to redirect an approach which simply does not address the concerns Canadians have in regard to the protection of their privacy.

Every time we open a newspaper we see another story about the abuse of personal information, about the potential that new technology has to invade our privacy and provide surveillance of our every movement.

Even the chairman of Microsoft, Bill Gates, in an article which appeared in the Ottawa *Sun* on September 20 of this year pointed out the need for government action and indeed legislation to protect privacy in the face of new technologies. He used the example of software programs which would replace human travel agents and track customers' tastes and preferences to give the best possible service.

While I applaud the hon. member for bringing the issue of privacy protection to the attention of Parliament, I believe that we could follow Mr. Gates' advice and start the process of unrushed debate leading to intelligent public policies, not by accepting this bill and fixing it, but by building on the work that has been done in Canada. We have among other initiatives the first data protection legislation in North America to cover the private sector. I am referring to Bill 68 in the province of Quebec as an example.

We need a far more comprehensive approach to these issues. This government has been doing the groundwork necessary to provide greater privacy protection.

I would like to ask the hon. member to consider the work that is presently being done. It is important that we look at the teeth that have to be given to any specific bill that is in the House, who will be responsible to hear and act on complaints and what resources they will have. I am suggesting that although this bill is laudable in terms of its focus on the fundamental issue of free and informed consent of the individual as a key issue in data protection, it is not clear how this would work out for other types of information and other types of business.

I commend the member. It is not often that the industry itself asks for legislation, but at this specific point in time the industry has been asking the minister responsible to pay some attention to details in this regard.

The Deputy Speaker: The hon. member has two or three minutes to sum up.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I appreciate the opportunity to do that. I would first like to thank those members who took part in the debate on my private member's bill on personal information. The debate has been most instructive for me as I continue to consider this very important issue. Out of the debate I realize there are some aspects that do need amendment in the bill, particularly the area regarding sales. Leases were not mentioned in the bill.

With regard to the narrowness of the crafting of Bill C–315, I do believe if members did the same research that I did, they would find there are federal and provincial jurisdictions that limit how widely this bill can have influence. It has been purposely crafted in such a narrow manner so that it would not impede provincial influence. It is my anticipation that if this bill were passed it could be a model and a forerunner for the provinces in bringing in their own individual pieces of legislation for the protection of personal information.

I would like to ask fellow members who are being asked to keep in mind what is fair to commercial interests also to keep in mind what is fair to the people whose names and personal information are being used for commercial gain without their knowledge, without their consent and frequently to their own personal disadvantage, if not their jeopardy. While it may seem burdensome for a commercial enterprise to seek the permission of every person whose name they record, buy, sell or lease, as the case may be, why should companies be able to use this information simply because the rightful owners cannot prevent them from doing so?

In summary, I am asking colleagues to consider first the needs of the protection of their constituents as well as themselves and to support Bill C–315 at this second reading stage.

[*Translation*]

The Deputy Speaker: It being 7.50 p.m., pursuant to our standing orders, the time provided for 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 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:

[*English*]

The Deputy Speaker: According to the order made earlier today, the vote stands stands deferred until tomorrow at 5.15 p.m.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CRIMINAL CODE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, it was on February 16 of last year, four days after the death of Sue Rodriguez, that the Minister of Justice promised Canadians that this House of Commons would have an opportunity to vote in a free vote on the important issue of possible changes to section 241 of the Criminal Code.

The Minister of Justice said that he would be meeting with the government House leader as soon as possible to find out when he could arrange a debate and he said that they were not going to sit on it. He went on to say: "We will find a way to put the question before the House so that it is not academic. It will be meaningful and if that involves a proposal for changing legislation with a free vote, then that is exactly what we will do".

He pointed out that the Supreme Court of Canada had unanimously agreed, although it was divided on the substance of changes to section 241, that this was a matter that elected

representatives must deal with. The Minister of Justice said on February 16 that he would make sure this House had an opportunity at an early date to deal with this matter. Some months later at the national convention of the Liberal Party of Canada, delegates voted overwhelmingly in favour of a resolution urging the government to allow for a free vote on the issue of euthanasia and physician assisted suicide.

• (1955)

In September of last year the Parliamentary Secretary to the Minister of Justice, who will be responding today on behalf of the government, said during the course of a debate on my private member's bill to change the Criminal Code: "We have been assured by the Minister of Justice that all parliamentarians will be given the opportunity to consider these issues in a meaningful way. I am confident that in due course we will be presented with the opportunity to do so".

On February 16 of last year the Minister of Justice said: "In emphasizing the urgency of this question, I am sure doctors could tell us there are a number of people right now facing terminal illness who want to have clarification". He was right then and he is right now.

It is unconscionable that the government, almost two years after having promised to allow the House to seriously deliberate on this issue, to vote in a free vote, is still not prepared to allow that decision.

One of those who is seeking a change in the law is Austin Bastable. Mr. Bastable has written twice to all members of the House. He wrote in late September and again at the end of last month, pointing out that the quality of his life is continuing to decline. He does not wish to endure the prolonged natural death that awaits him.

Mr. Bastable points out that palliative care is not a meaningful option for him. He pleads with the House and he pleads with the government to honour the commitment made to allow a free vote, to allow debate on this issue of fundamental conscience.

The member for Vancouver Centre also assured Canadians and her own constituents there would be a free vote. I call on her to honour the commitment made by the Prime Minister, by the Minister of Justice and by the parliamentary secretary to ensure Canadians have a voice in this fundamental issue of life and death.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member for Burnaby—Kingsway has not said anything which I would contest with respect to me or the Minister of Justice. It is still the intention of the Minister of Justice to allow this debate.

The hon. member has requested that the Minister of Justice advise the House when members will have the opportunity to review the issue of physician assisted suicide, including the provisions of section 241 of the Criminal Code.

Both the hon. member and the Minister of Justice have referred to the important work undertaken by the special committee on euthanasia and assisted suicide which tabled its report in June of this year. The terms of reference provided that it examine and report on the legal, social and ethical issues regarding euthanasia and assisted suicide.

The report is lengthy and contains recommendations concerning palliative care, pain control, sedation practices, withholding and withdrawal of life sustaining treatment, advanced directives, assisted suicide and euthanasia.

Of the recommendations presented in the report, there are a number of legal implications unanimously agreed on by committee members. This was not the case with respect to their recommendations concerning assisted suicide.

While the senators were unanimous in their view that counselling suicide, subsection 241(a), should remain an offence, they were not unanimous in respect of the provision of subsection 241(b). As the Minister of Justice has indicated, there was difficulty in achieving consensus with respect to some of the most fundamental questions that arose in the course of the committee's study.

Specifically, with respect to the issue of assisted suicide, a majority of the committee recommended that subsection 241(b) of—

The Deputy Speaker: The hon. member for Edmonton East.

MEDICARE

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, in discussions with people in Edmonton East over the past number of months, one concern keeps coming up with increasing regularity: where is medicare headed in Canada?

Canadians value the system of universal health care. Medicare is one of the fundamental elements of our Canadian identity and of our shared commitment to fairness, equity and compassion.

• (2000)

However, Canadians recognize that the health care system must adapt and evolve within the guiding principles of the Canada Health Act. It is not enough to say that we spend $72 billion on health care without knowing whether we are spending it in those areas where it makes the most difference to Canadians.

Residents of Edmonton East want governments at the national and provincial levels to work together to ensure accessibility and quality in health care and to sustain a health care system that respects the five principles of the Canada Health Act: universality, accessibility, comprehensiveness, portability and public administration.

How do we renew our health care system to meet the needs of consumers in a cost effective and efficient manner? What are the implications of allowing greater private funding in our health care system?

There is concern in Edmonton East that private funding competing with a public system will create a two–tier system where access and quality will be based on ability to pay rather than medical need.

To the ideologically driven in Alberta, an increased private presence in the funding and delivery of health care is the answer to controlling costs and improving accessibility. But is it? In the industrialized world, the United States is the best example of a health care system which relies extensively on private funding.

Let us examine the U.S. health care experience in more detail. More private money in the U.S health care system should result in a better standard of health care for Americans but clearly that is a myth. A significant amount of health care spending in the United States is to support an extensive bureaucracy that has evolved under a multiple player system. The average American under a private insurance scheme pays $150 a year in administrative costs alone, compared to $23 for the average Canadian.

Respected Canadian health care economist Robert Evans put it most succinctly when he stated: "Canadians provide care. Americans shuffle paper". Not only is the U.S. health care system plagued by skyrocketing administrative costs and a bureaucratic jungle, it is also plagued by inequities and lack of access.

For older Americans, 65 years and over, out of pocket costs consume 23 per cent of their household incomes. For older Americans with family incomes below the poverty line, out of pocket expenses consume 37 per cent of their incomes. Most telling, the number of Americans who are uninsured continues to grow at an alarming rate. Nearly 40 million Americans or 15.3 per cent of the population had no health insurance coverage at all. The total number of uninsured American children under the age of 18 is 9.5 million or 24 per cent of all American children under the age of 18. The total number of uninsured Americans earning an average family income of $15,700 is nearly 15 million.

This leads me to a second element that private funding components have failed to address adequately: the ability to control health care costs. Cost containment is a necessity if health care is to be sustained and preserved in today's fiscal climate but cost containment in health care is not achieved by shifting the cost burden on the Canadian consumer through de–insurance, de–listing or user fees.

The Deputy Speaker: The member's time has expired.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I am very pleased that the hon. member asked this question. As she said before, medicare is a defining value of Canadians. Eighty–nine per cent of Canadians support medicare. All the ministers of health in every province support medicare, with the exception of Alberta.

Medicare is unique to this country because it is based on clinical need and not on the size of your wallet. It is a Liberal value. Medicare was brought in by a Liberal prime minister. A Liberal minister of health, Monique Bégin, brought in the Canada Health Act which defined the five principles and set a series of limits on how they are used.

One of the important things about medicare is that the government, being a Liberal government, is committed to medicare. We are committed to a predictable funding of medicare in the new Canada health and social transfer. We are committed to working with provinces to ensure that we find innovation and creativity in dealing with some of the pressures that are now facing medicare.

We will work in a consistent, cohesive and coherent manner to find all of the answers within the Canada Health Act.

I want the hon. member to know that this government is the first since the enactment of the Canada Health Act that actually has taken non–refundable deductions from provinces: British Columbia, Manitoba, Nova Scotia, Newfoundland and finally, Alberta.

We have a concern about the growth of two–tier medicine. User fees are not on for this government. The program is based on clinical need. If we are going to continue to make medicare important, we are going to have to look at issues such as evidence based medicine such as moving from prevention, from lifestyle based diseases and—

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly the House is adjourned until tomorrow at 2 p.m.

(The House adjourned at 8.04 p.m.)

HOUSE OF COMMONS

Wednesday, December 13, 1995

The House met at 2 p.m.

Prayers

The Speaker: As is our custom, we will now sing O Canada, which will be led by the member for Halton—Peel.

[*Editor's Note: Whereupon members sang the national anthem.*]

STATEMENTS BY MEMBERS

[*English*]

MR. DWIGHT MCMILLAN

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, it gives me great pleasure to rise in the House today to pay tribute to Mr. Dwight McMillan, longtime coach of the Weyburn Redwings.

For 35 years, Mr. McMillan has brought the community of Weyburn, Saskatchewan a great deal of national honour and recognition in the sports arena. Both in hockey and in baseball, his contributions have brought him two national titles and he has participated in other national finals on several occasions.

As both a player on the original Redwings hockey team and later as the most successful coach in the history of the team, Mr. McMillan has shown all of Canada the expertise and fine character of Weyburn's sporting teams.

Congratulations to Mr. McMillan as he is honoured by the city of Weyburn on December 29.

* * *

[*Translation*]

AIDS CONTROL

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, Tuesday, December 12, 1995 will go down in history as a day of achievement and hope in the fight against AIDS.

Yesterday, Health Canada's Drugs Directorate approved, as part of a priority review process, the use of 3TC with Retrovir in the treatment of AIDS infections.

3TC was discovered by Biochem Pharma in Montreal and developed by Glaxo Wellcome. This is a Quebec achievement of which the whole scientific community can be proud.

I wish to express my sincere gratitude to Biochem Pharma for its research efforts of the past few years. They have not been in vain. I hope that this breakthrough will open the door to other discoveries that will not only significantly improve the quality of life of people with AIDS but also cure them.

* * *

[*English*]

AIDS

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, last week the chair of the Reform family caucus tabled a dissenting opinion to the national AIDS strategy report. She says that the Liberal government's education and prevention programs actually increase the health risk of Canadian youth by promoting sexual activity.

Research conducted in the United States by the U.S. naval research laboratory revealed that the HIV virus is 60 times smaller than a syphilis bacterium and 450 times smaller than a human sperm.

Analysing test results conducted by the U.S. Centre for Disease Control, which tested leakage rates of latex condoms, doctors have discovered a 78 per cent HIV leakage rate. As one U.S. surgeon put it, the HIV virus can go through a condom like a bullet through a tennis net.

It is the height of stupidity for the government to be spending millions of dollars to spread the lie that condoms protect Canadians from contracting AIDS. Its politically correct approach is actually aiding and abetting the spread of this deadly disease.

* * *

CHILD LABOUR

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, today I would like to draw the attention of the House to the journey of a young man from Toronto, only 12 years of age, Craig Kielberger, who left this week for the Far East to visit India, Pakistan, Thailand and other countries that use child labour.

Very often countries in the western world are appalled at human rights violations and the denial of political freedom in these backward countries.

Labour standards, and especially the abuse of young children in nearly slave–like conditions must be of serious concern for all Canadians. As a trading nation, and as consumers of products manufactured under uncivilized conditions, we must somewhere draw a line in the sand against those who profit from such practices.

Today, let us salute Craig in his crusade, Free the Children Campaign. Hopefully all of us can join with him in his venture.

* * *

[*Translation*]

VETERANS AFFAIRS

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, the Canadian soldiers who served in Burma and elsewhere in Southeast Asia in World War II have had to accept the fact that most of these conflicts have been forgotten in the annals of our war effort.

While other battles made headlines, the fighting in Burma and Malaysia went almost unnoticed. This, however, does not take anything away from the heroism of the Canadians who served in those countries. Our soldiers were brave and courageous. They had to face not only the enemy but also scourges such as malaria, dysentery and many other tropical diseases.

• (1405)

[*English*]

It is with great pride that I note the exploits of these brave young Canadians which are now being commemorated in ceremonies across Asia. Their heroism is an inspiration, as is their commitment and faith in Canada. They served in the hope that when they return they would be granted the liberties that other Canadians enjoyed.

Fifty years later, we know that their hopes were not misplaced. Those young Canadians contributed not only to our freedom, but to our dignity as a nation.

In a country that prides itself on equality and tolerance, there can be no better loyalty than that—

The Speaker: The hon. member for Ottawa West.

* * *

NUCLEAR WEAPONS

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, tomorrow members of Parliament will leave this House and return home to celebrate the season that has become around the world the symbol of peace on earth. Yet one of our NATO partners continues to plan and execute the obscenity of testing nuclear weapons.

In 1982, the award winning film called "If You Love This Planet" shocked the world by revealing that there were already enough nuclear weapons to destroy us all 14 times over.

This Parliament and this government face some difficult questions. Should this country be selling uranium to countries that produce and unleash nuclear weapons on the world? Should it be allowing the planes of countries doing these things to land and use our country on the way to their missions?

Seven years after the end of the cold war, the doomsday clock is in danger of again being moved forward. I ask us all to take this season of peace to consider what we can do in this House to make sure that the doomsday clock does not take that disastrous leap.

* * *

[*Translation*]

TOBACCO INDUSTRY

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, when she tabled her master plan to reduce tobacco use in Canada, the Minister of Health indicated that broad consultations would be taking place with a view to introducing legislation in the spring.

Unfortunately, before tabling her plan, the minister did not see fit to initiate serious consultations with the tobacco industry on her government's plans to severely regulate its activities.

First of all, the minister would not discuss the code of ethics to be adopted by the manufacturers or the thrust of her master plan.

She missed a great opportunity to make her intentions perfectly clear to the industry, thus avoiding another court challenge on her upcoming legislation. If that were to happen, Canada would once more find itself without a strategy to reduce tobacco use.

In the meantime, following the Supreme Court's decision, the tobacco industry would resume actively promoting its products through advertising. What a mess.

* * *

[*English*]

T'WAS THE YEAR BEFORE CHRISTMAS

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker,

T'was the year before Christmas, when all through the land,
The Liberals were shivering, their heads in the sand.
Their pockets were hung by the chimney with care,
In hope that St. Martin would not leave them bare.

The backbenchers all ready to jump into bed,
While visions of gold–plated pensions danced in their heads.
But out on the Hill there arose such a clatter,
The Reformers had arrived to deal with this matter.

The Liberals threw open their red book in a flash,
We promise to hand out plenty more cash.
But what to their wondering eyes should appear,
Defeat in Manitoba, Saskatchewan, Ontario so clear.

But lo and behold, Canadians will see,
More broken promises from these Liberals MPs.
Reform is the party that will bring to this land,
Hope for the future—one that is planned.

Merry Christmas to all, and to all a good flight.

* * *

RADIO CANADA INTERNATIONAL

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, yesterday the closing of Radio Canada International was announced in Montreal.

This means an end to the Canadian Forces Network, which brought Canadian programming to our peacekeepers around the world. It means an end to the English and French language shortwave services which kept Canadians travelling, working or living overseas in touch with Canada.

[*Translation*]

The end of shortwave broadcasts in eight languages, which are the voice of Canada around the world, will have an even more devastating effect.

In 1995, the foreign policy review conducted by the government concluded that RCI was in a perfect position to promote Canadian values abroad.

The Business Council on National Issues itself pointed out that the station was creating a demand for Canadian goods and services.

[*English*]

The Broadcasting Act requires the CBC to provide an international service. I call on the Liberals to reverse this shameful decision and ensure continued support for Radio Canada International. Canada must not be the only G–7 nation—

The Speaker: The hon. member for Lincoln.

* * *

• (1410)

PRE–BUDGET CONSULTATIONS

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, on November 28 I had the pleasure of hosting another workshop, this one a pre–budget consultation in my riding of Lincoln. Many constituents felt that the government had taken decisive action in prior budgets but we need to stay the course. However, the reduction in government spending must not be done in the slash and burn fashion of Mike Harris.

Three major themes were developed and discussed: unemployment and job creation, concerns of small business, and debt and deficit. I am pleased to state that progress has occurred in all three areas.

The Minister of Human Resources Development introduced employment insurance programs. The Minister of Industry's Bill C–99, an act to amend the Small Business Loans Act, will continue to provide access to debt capital for small businesses that need it to expand and to create jobs.

Last week the Minister of Finance stated that the deficit for the 1997–98 fiscal year will be brought down to 2 per cent of GDP. The goal is to eliminate the deficit based on a measured and responsible strategy.

I would like to thank my constituents for participating in the workshop. It is through this type of forum that constituents views will be heard.

* * *

IQALUIT

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

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

Mr. Speaker, an historic vote was held in the Arctic. A plebiscite was held on Monday when residents voted for Iqaluit as the capital of the new territory. Sixty per cent of Nunavut voters chose Iqaluit.

I congratulate Iqaluit. I congratulate as well the people in both communities who worked so hard throughout the capital campaign. I thank the Minister of Indian Affairs and Northern Development for giving the people of Nunavut the opportunity to democratically choose their future capital.

The people of Nunavut have spoken. I recommend Iqaluit to the minister and the government as the people's choice. Let us join our efforts now in our common goal of creating a new territory in 1999 in which all communities will share.

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

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REFORM PARTY

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, over the past two years it has become clear that the Reform Party and the Bloc Quebecois are flip sides of the same coin on the national unity issue.

The Reform Party is at it again. The leader of the Reform Party is now promoting American style impeachment rights. Canadians are getting sick and tired of the Reform Party's shameless self–promotion at the expense of Canada. The Gingrichs of the north are more interested in scoring cheap political points than in working together to solve the problems that face the country.

The Reform Party's idea of constitutional renewal and nation building is a wrecking ball. History will judge it as such when the party joins the ashes of the Social Credit movement from which it evolved.

The Reform Party should take a lesson from the over 150,000 Canadians who were at the Canada rally in Montreal on October 27 and get on side with nation building. Unless the Reform Party changes its tune it will be up Beaver Creek without a paddle.

* * *

[*Translation*]

FRENCH IN AMERICA

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, yesterday, the Prime Minister had the nerve to say that the French language survived in America thanks to Canada. Yet, the rate of assimilation of French speaking British Columbians exceeds 75 per cent, while that of French speaking Ontarians is close to 40 per cent. French speaking Canadians outside Quebec must constantly fight to keep control of their institutions. Their rights are still violated in several parts of the country.

How, in all decency, can anyone claim that the survival of French in America is due to anything other than the strong will of our ancestors to perpetuate their culture? French survived in America thanks to our parents, who fought so that their society could thrive in French, despite the many injustices condoned by Canada regarding the French language.

If I can address this House in French today, it is because of the vitality of Quebec, which is the cradle of our language, our culture and our identity.

* * *

SOCIAL PROGRAMS

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, yesterday, the Quebec Minister of Finance made an excellent suggestion regarding social programs. She asked that the federal government transfer tax points to the provinces, instead of money, and give them greater autonomy regarding the management of these programs.

The minister would like to change a system whereby Ottawa can withdraw its financial assistance, while continuing to impose federal standards. That proposal is already included in the 20 point decentralization plan of the Reform Party, and several provinces support such changes.

• (1415)

The federal government should contemplate such a reform, instead of wasting its time on symbolic measures such as recognition of the distinct society. The irresponsible refusal of the federal Minister of Finance does not mean that federalism cannot be reformed and that Quebecers must separate. On the contrary, Quebecers have allies all over the country, as regards this issue. It is the Liberals that cannot be reformed.

NATIONAL UNITY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, let us take advantage of the momentum we have gained to present Canadians with a rapid overview of the greatly changed Canada of tomorrow. Let us do so in conjunction with all of the social, economic and political strata of society, focussing on only one goal: the public interest. The government has already shown its colours in relation to recognition of Quebecers, and that is one important step taken.

Members representing all parts of this country have just given recognition to Quebec as a distinct society. Let us continue to focus constructive efforts on entrenching that recognition in the Constitution of our country when the time is right. It is more important than ever for us to pool all of our talents, all of our minds, but most importantly, all of our hearts to make our country, Canada, a country fashioned in the image of its peoples, into a united yet diversified country, a country characterized by generosity and equality of opportunity. Such a near–paradise is close at hand.

* * *

MOUVEMENT DE LIBÉRATION NATIONALE DU QUÉBEC

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the Parti Quebecois has decided not to bar membership to the president and founder of the Mouvement de libération nationale du Québec. The PQ leaders' lack of firmness in this respect points to a profound malaise within the Quebec separatist movement.

How can there be any hope that the PQ, which is currently involved in exorcising its own racism, will take any energetic measures to distance itself from the racist and pro–violence views of the MLNQ? The weak protestations of the PQ and the Bloc are insufficient, to say the least, and do nothing to help reassure the public about the intentions of Mr. Villeneuve and his group of radicals. How could it be otherwise, when we know that some of those who are soverignist members of Parliament today were signatories in the past of a petition for the release of the ex–FLQ member in question?

ORAL QUESTION PERIOD

[*Translation*]

SOCIAL PROGRAMS FINANCING

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in a speech he made in Verdun at the very end of the referendum campaign, the Prime Minister made a formal commitment to decentralize the federal system, in response to Quebec's demands. Yesterday, his finance minister indicated this commitment was doomed when he refused to so much as discuss a proposal from his Quebec counterpart for replacing

Ottawa's contribution for social programs with an equivalent transfer of tax points to Quebec.

My question is directed to the Prime Minister. How can he reconcile his formal commitment to decentralize the federal system with his finance minister's refusal to discuss even the principle of the proposal made by the Government of Quebec to replace Ottawa's present contribution to social programs financing with a transfer of tax points?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, before I answer the question put by the Leader of the Opposition, I would like to say that we are sorry to see him go. We enjoyed the past two years during which he was Leader of the Opposition. In politics, there is a certain amount of confrontation, but there are also moments that we appreciate.

I wish him good luck, and if, as he said in his speech in Laval, he intends to work hard to get the economy going and put public finances on a sound footing, we will be there, ready to co–operate. So I wish him good luck in that respect. If the other agenda predominates, there will again be confrontation. As for the question put by the Leader of the Opposition concerning tax points, it is a matter of one type of transfer rather than another. The amount is exactly the same.

• (1420)

However, for the purposes of public administration and to ensure that people know the money is transferred from the central government to the provincial governments, I think the Minister of Finance is right. People are aware of this in the case of a transfer payment, as opposed to tax points. In the case of tax points, people tend to forget. After a few years, they forget that no more funds are transferred, but that the federal government has withdrawn and lets the province collect taxes.

As a result, the central government's participation becomes invisible. I think the Minister of Finance wants all citizens in every province to know exactly what the federal government contributes towards the cost of administering social programs.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I must say the leader of the government took some of the wind out of my parliamentary sails.

In a word, I would like to tell him that I will leave this place, respecting its members and the opinions of those members, even if they do not coincide with ours, and with every respect for these institutions as well as a sense of gratitude for the opportunity to become more experienced in the ways of a truly exceptional parliamentary democracy, the House of Commons of Canada.

Some hon. members: Hear, hear.

Mr. Bouchard: I would like to ask the Prime Minister how he can dismiss out of hand the proposal made by Mrs. Marois, which in fact would respond to what Quebec has maintained since the Victoria Conference in 1971, and I am referring to Quebec's insistence on the need to control all the levers of its social programs.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, whether transfer payments are made in the form of tax points or cash, it boils down to the same thing.

As far as decentralization is concerned, we have made it clear that we will withdraw from manpower training. However, we want the money collected for that purpose to be used for our clients, in other words, for people who across Canada contributed their share, added to their employer's share, to give them some security if they lose their jobs. This money is to be used for workers who have lost their jobs.

As for decisions on the administration and nature of training programs, that is under provincial jurisdiction. The provinces can decide what kind of training they want to give, but we must be sure the money transferred is used to train people who are unemployed, because they paid their contribution to the federal government so they would receive this service if they lost their job.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, there is considerable confusion afoot, but if anyone knows what is at stake here, the Prime Minister does.

In fact, it makes all the difference in the world to have tax points that leave a government free to proceed as it wishes and will increase in value with total tax revenues, as opposed to having financial contributions which the federal government reduces at will and controls by imposing national standards. It makes all the difference in the world.

I want to ask the Prime Minister whether he would not agree that what we have here is an entirely odious strategy that consists in making the Quebec government pay an increasingly larger share of the cost of social programs, and meanwhile Ottawa collects more and more taxes from Quebec.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when we formed this government two years and some months ago, the federal government's transfers for social programs and equalization payments totalled more than $11 billion. Today, it is even more and next year it will still be more than $11 billion.

There have been no cuts. Some payments may be down, but equalization payments for the poorest provinces in Canada inevitably increased during this period. In fact, there were no cuts in transfers to the Government of Quebec or to other provinces that receive equalization payments according to the balancing system that exists in this country.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, despite the Prime Minister's referendum commitments to decentralize the federal apparatus, the Minister of Finance yesterday rejected out of hand the request of the government of Quebec that it transfer the tax resources that the federal government invests in health, social assistance and post–secondary education.

• (1425)

Since he is reneging on his referendum commitments on decentralization, will the Prime Minister acknowledge that his government's hard–line approach to Quebec is a return to the tried and true formula to slow his decline in popularity with English Canada, which is to put Quebec in its place?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the formula is a very old one. Transfer payments used to be simply cash payments. We subsequently gave a number of tax points. It is very important we continue to make visible transfers like these so that the people in all the provinces will see that the federal government helps pay for the social programs the provincial governments manage.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in view of the Minister of Finance's attitude toward the legitimate request by the Government of Quebec, will the Prime Minister acknowledge that his referendum commitments to decentralize were nothing more than window dressing and the only decentralization he foresees involves sending the bills to the provinces?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said very clearly that we have withdrawn from job training. As for the bills, I have to say, and I already made it quite clear earlier, that the amount of transfers the federal government makes to the provincial governments receiving equalization payments has not decreased in the past three years. Some of the cash transfers for programs were cut, but equalization payments were increased. In the case of Quebec, the amount was over $11 billion when we formed the government. It remains unchanged today and, as far as I know, it will remain unchanged next year.

* * *

[*English*]

QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, yesterday the Prime Minister was unable or unwilling to answer a simple question. The question was: How does the Prime Minister propose to use the federal power of peace, order and good government to ensure a fair and clear question in the next Quebec referendum.

Now the Prime Minister has had another 24 hours to reflect. The Deputy Prime Minister has whispered in his ear. He has had a chance to consult his legal advisers and the answer is probably on the front page of his briefing notes.

In the interest of national unity, will the Prime Minister now give an answer? How does the Prime Minister propose to use the federal power of peace, order and good government to ensure a fair and clear question in the next Quebec referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not have to read my notes. The leader of the third party should just read yesterday's *Hansard*.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, a clear answer appears to be beyond the capacity of the Prime Minister.

After the last referendum Canadians demanded change and some new ideas for national unity. Reformers responded to that call by putting forward proposals for changes in the federation and terms and conditions for dealing with separation.

The Prime Minister, on the other hand, has borrowed from Brian Mulroney's distinct society clause, gone back to a 1971 veto proposal and gone back to an 1867 clause in order to deal with the referendum.

• (1430)

Where are the new ideas, the imagination and leadership needed to keep this country together? How will distinct society, constitutional vetoes and vague references to peace, order and good government ever convince Quebecers to vote for Canada in the next referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people of Quebec have voted twice to stay in Canada. We should remember that. The leader of the Reform Party seems to be very disappointed that they have chosen Canada but that is not my case. When the Leader of the Opposition tried to teach us some lessons he should know the ridiculous move he made.

I guess the party was too long yesterday. The leader of the third party does not know that 52 members of Parliament is nothing compared to 177 on this side of the House.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, what the Prime Minister is doing on the national unity front makes Brian Mulroney look good, and you have to go a long way to make Brian Mulroney look good.

The Prime Minister has cobbled together a national unity package without consulting the nation, without consulting the premiers, without consulting his own caucus and without even submitting it to parliamentary debate. He even uses closure, the most undemocratic tool of all to push parts of a national unity package through the national Parliament.

Why would anyone follow the Prime Minister's lead in the national unity area when there is no consultation, no mandate, no rationality, no democratic legitimacy behind his proposals?

Right Hon. Jean Chrétien (Prime Minister, Lib.): First, Mr. Speaker, we had three discussions in caucus about this matter before I went public with it. Second, I do not know if the people will follow the leader of the third party. Last week he was asking us to give a veto to the province of British Columbia and—

Miss Grey: The people of B.C., not the government.

Mr. Manning: Why do you not understand about people versus government?

Mr. Chrétien (Saint–Maurice): Yes, and after that he voted against his own proposition last night.

Some hon. members: Hear, hear.

An hon. member: He could not even convince his own caucus to follow him.

Mr. Chrétien (Saint–Maurice): I understand that his two neighbours to his left had the good sense not to look ridiculous like their leader and voted with us on the motion.

* * *

[*Translation*]

RADIO CANADA INTERNATIONAL

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

When questioned in the House yesterday, the heritage minister suggested that the future of Radio Canada International would be determined by the Juneau report, which will be submitted to the government on January 15. However, 20 minutes later, the director of Radio Canada International told his 125 employees that RCI would shut down in March.

Can the heritage minister clearly state that, when he was eluding our questions yesterday in the House, he did not know that, 20 minutes later, the director of Radio Canada International would announce that his service was going to shut down?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it goes without saying that I know what goes on at the CBC. What I said yesterday, and my answer is the same today, was that Radio Canada International is the international component of the CBC. It is part of the CBC's overall mandate.

Therefore, the future of Radio Canada International will be decided when we review the CBC's mandate, along with the recommendations made by a special committee.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, if the minister knows what goes on at the CBC, why did he tell us yesterday that the CBC's mandate would not be changed before the Juneau report is submitted, considering that 20 minutes later it was announced, without waiting for the Juneau report, that Radio Canada International would shut down?

• (1435)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I want to make it clear that no decision will be made on the CBC's mandate before the Juneau report. That is clear. Similarly, we will not know the future of the CBC's budget before the next federal budget. That is precisely what I said yesterday.

* * *

[*English*]

CANADA PENSION PLAN

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the federal government is trying to sell the provincial finance ministers on its freedom 67 plan, raising the age of retirement from 65 to 67.

The finance minister says that freedom 67 should be his choice. It should not be his last choice. It should not be his first choice. In fact, it should not be his choice at all. Will the minister commit right now to abandoning his freedom 67 package?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the question relates to the Canada pension plan. There is a study being done by the provinces and by the federal government on the Canada pension plan which has not yet been completed. There has been no decision on that. Sixty–seven is not the issue.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I do thank the hon. member for his very clear response on that question.

The Reform Party plan to renew the Canada pension plan will allow people to choose when they wish to retire. The Liberal freedom 67 plan will break the government's contract with seniors by cutting their pensions. Six months ago, the Liberals locked in their gold plated MP pensions and now they are poised to hammer seniors by cutting pensions, raising the age of retirement and increasing CPP taxes.

My question is for the Deputy Prime Minister. How can this government justify attacking seniors' pensions when her government just locked in its own gold plated MP pension plan?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, Canadians ought to know what the Reform Party's plan will do. Over 800,000 disabled Canadians would have lower benefits; 600 widows would have lower benefits; and 1.8 million pensioners would have lower benefits than now. That is not the Liberal way.

* * *

[*Translation*]

RADIO CANADA INTERNATIONAL

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I believe that the people of Canada are entitled to clear answers to clear questions. Yesterday at 3:20 p.m., RDI announced the closing of Radio Canada International. It was in all of this morning's papers. Can the minister tell us, since he is so up to date about the CBC, whether it is open or closed?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, Radio Canada International is open until the end of March, that much is certain. What remains to be decided is the financial future of the CBC in its entirety, and that future will be determined by the next federal budget.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my supplementary question is for the Prime Minister. Yesterday, all of the staff of Radio Canada International got their pink slips. Everybody knows what a pink slip means: no job after March 31.

Once again, the Minister of Canadian Heritage is shirking his responsibilities. Does the Prime Minister not consider that, this time, enough is enough?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am satisfied with the minister's reply. We will be receiving the report on CBC's mandate on January 15.

• (1440)

The corporation itself decided to let Radio Canada International go. I am very pleased to hear that the Bloc Quebecois wants us to preserve national institutions such as the CBC, and I shall take careful note of this.

* * *

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Senate has completed its inquiry into the Pearson airport contract and there were no surprises.

The truth be damned. It was siege mentality all the way. The Tories defended writing the contract and the Liberals defended cancelling it. A glossy bound report bigger than my riding's telephone book settles nothing. It just wastes millions more taxpayer dollars.

My question is for the Minister of Transport. Will he admit that this process did nothing to bring out the truth and in fairness to all parties, will he agree to the full judicial inquiry I asked for over a year ago?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, Canadians from coast to coast to coast have made up their minds on the Pearson deal. It appears that the only people who are not convinced that the Pearson deal had to be cancelled in the best interests of Canadian taxpayers and in the best interests of Canadian travellers are the Conservative members of the other place and the hon. member who raised the question.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the minister keeps saying that the Pearson deal was not in the public interest and it was not good value for the Canadian public. One cannot help but wonder if the minister has financial studies to prove this or if he is just talking through an empty hair follicle.

Will the minister agree to prove his claims by tabling a cost benefit analysis of cancelling the contract, if one exists? Failing that, will he admit that the latter alternative was true?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member should read his friends' majority report which was produced by the other side. These are the people with whom he has consorted on a regular basis. I hope not too much of it has rubbed off on him.

We understand one thing: the minority report puts out a lot of facts of which the Canadian people were already aware.

To take up the challenge of the hon. member with respect to the deal at Pearson, next week we will sign the deal in Toronto for the transfer of Pearson International Airport to a local Canadian airport authority. I guarantee him that not only will the facility which those people are going to build be far superior to what was proposed by my hon. member's friends in the rip–off that he supports, but also the bottom line return to the taxpayers of Canada will be substantially better than what was suggested in the original deal.

* * *

[*Translation*]

TOBACCO INDUSTRY

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

In the fight against smoking, we discover that, in the master plan tabled on Monday, the government intends to strictly regulate tobacco industry sponsorship of sporting and cultural events.

Will the Minister of Health confirm her remarks at the press conference to the effect that her objective in the plan of action is to ensure that events as the *Festival Just for Laughs*, the *Jazz Festival* and the *Montreal Fireworks Festival*, will no longer get a cent from tobacco companies?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we hope they will continue to sponsor all of these good works. It is absolutely not our intention to ask tobacco companies to stop supporting these events. It is, however, very definitely our intention to ensure that they do not use these events to advertise, since, after all, 40,000 Canadians die every year from smoking.

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

Since the minister has just announced she will come down hard on funding for major cultural events, what does the Minister of Canadian Heritage intend to do to ensure the survival and financial well–being of these events?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we said no such thing.

I am very surprised, however, to see the health critic defending the tobacco companies so vigorously. Now I have seen everything.

It is time you got a new health critic.

* * *

• (1445)

LASER WEAPON SYSTEMS

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

A new weapon will soon surface on the battlefield: the antipersonnel laser. These portable lasers have a scanning capability thanks to an invisible light beam with a range of several kilometres; they can irreversibly damage people's retinas and even cause blindness.

What is the Government of Canada's position on the use of laser weapon systems?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like to inform this House that Canada has never produced or even used these laser weapons. Canada and other countries addressed this issue as part of the UN discussions on the use of conventional arms in order to provide clarification and ban the use of laser weapons. I can assure this House that Canada supports the measures being taken to prevent the use of these weapons.

* * *

[*English*]

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, my question is for the Prime Minister.

In light of the fact that the justice committee did not ratify Bill C–232 on December 7 and thereby did not support grandparents' right to ask the court for continuous access to their grandchildren, would the Prime Minister explain what he intends to do to support and strengthen families in Canada?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is the principle of the government to foster family life and to preserve family values. It is for that reason the justice committee decided it was not the responsibility of the federal government to support the private members' bill she brought forward. Not that there were not a lot of good ideas in what she was trying to do, but it is primarily a provincial responsibility.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I must disagree, although I thank the parliamentary secretary for his answer.

I would really like an answer from the Prime Minister. Does he realize that a child's right of access to his or her family has been recognized in the convention of the child of the United Nations in 1989 and accepted by Canada in 1991? Legislation similar to this is in place now in Great Britain, the United States and Quebec.

What will the Prime Minister tell Canadian grandchildren who face yet another Christmas without their grandparents?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the government is well aware of the role of the United Nations in child care and the government's support of that role.

It is also well aware of the important need for child care. That is why the Minister of Human Resources Development brought in a multi–million dollar child care program today.

In the interest of fostering relationships with the grandparents and their grandchildren, the Minister of Justice has undertaken to look at the subject matter the hon. member brought forward to see if something can be done which would meet some of the objectives she has mentioned in the House and before committee.

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[*Translation*]

SATELLITE DISHES

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, my question is for the Minister of Industry.

Thousands of consumers in Quebec and Canada are angry because their expensive satellite dishes that receive TV signals have now become obsolete as a result of inadequate regulations and technological changes.

Since the minister helplessly watched the development of an unregulated market without informing consumers of the risks involved in buying these satellite dishes, what steps will he take today to address this problem?

• (1450)

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, the minister has not sat by in this area. The Information Highway Advisory Council has been working on a whole host of recommendations put before the House approximately a month ago. Over the next six to eight weeks many of those recommendations we will be acting on. I am sure members opposite will be more than satisfied.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, since every company awaiting the CRTC's decision on the granting of licenses will have its own technology requiring a large investment by each consumer, what steps will the minister take to protect consumers in case one of these companies goes out of business?

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, most members would agree that as a government we have probably been considered to be most sensitive toward the small business community. One thing absolutely imperative is that we do not make decisions that will not take its concerns into account.

I do not believe a six to eight week delay in order to get the proper answers is unreasonable.

* * *

INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, on November 8 the Minister of Industry, with previous notice, in response to my question stated that no funds had been advanced to the Ontario Métis and Aboriginal Association since 1991.

I have since determined that since 1991 some $270,000 has been advanced to the association. This is over and above the $111,000 advanced to Henry Wetelainen, Sr. Would the minister like to take this opportunity to clear up the information he provided the House on November 8 and set the record straight?

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I am not aware of the specifics on this file but I will take his question under advisement and we will report back to the House in due course.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the RCMP investigation of the Ontario Métis and Aboriginal Association, initiated as a result of my questioning in November, is awaiting a report from the minister's department.

Can the minister assure the House this report will be more complete than his answer of November 8?

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, part of this file is under the jurisdiction of the RCMP and it would be inappropriate for us to deal with it any more than that.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, my question is for the solicitor general. It has now been more than a month since the RCMP arrested an intruder inside the Prime Minister's residence at 24 Sussex Drive, which happens to be in the riding I have the honour of representing.

The solicitor general said at the time that he would try to make public as much as possible of the RCMP's reports. Can the minister tell the House the status of this report and what details, if any, will be made public on this serious matter?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, earlier today the report in question was released by the RCMP, pursuant to an access to information request.

I did say I would like to see as much of the report as possible made public, subject to the need not to undermine the fairness of the disciplinary proceedings under way against certain RCMP members, subject to the need not to prejudice security at 24 Sussex, and subject to the need not to prejudice the criminal court proceedings against the suspect arrested in the course of the incident.

This has meant that certain portions of the report have had to be exempted, pursuant to the access to information and privacy laws. However, I am confident the measures already put in place by the RCMP for enhanced security will help ensure this kind of incident never takes place again.

* * *

[*Translation*]

AIR TRANSPORT

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

The airline industry has a particularity in Quebec in that it operates in French. Organizations such as the Association des gens de l'air du Québec and the Association québécoise des transporteurs aériens have been promoting the use of the French language in air operations for many years, yet they are not represented on the board of NAVCANADA, which is set to take over the operation of the air navigation system.

• (1455)

How can the minister allow the Quebec air transport industry and the place of the French language in Quebec airspace to be at the mercy of an organization that does not even have the decency to submit its instruments of incorporation in both official languages?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I think that the success we have had in our negotiations with all those involved in the air navigation system in Canada is worth noting. The composition of NAVCANADA's board of directors was determined by stakeholders from every sector. The Canadian professional pilots' association, air traffic controllers and unions are represented on the board.

I think that the hon. member should mention the fact that, in our negotiations with NAVCANADA's officials, we have made sure that all NAVCANADA operations comply with the Official Languages Act, for instance, and that, except for federal government representatives, every board member is selected from the community responsible for managing this whole system.

It is unfortunate if the particular group the hon. member referred to is not represented, but that is certainly not the Government of Canada's fault.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, does the minister not think that it is totally unacceptable for the Association des gens de l'air du Québec and the Association québécoise des transporteurs aériens not to be represented on NAVCANADA's board of directors, given the particular status of the French language in Quebec airspace?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, all NAVCANADA stakeholders, including the air traffic controllers, who, as far as I know, are still members of the national association representing this group, are involved in the negotiations. Members of the Transportation Association of Canada are represented on the board.

There is no doubt that we recognize the importance of the French language in the air navigation system. That is why, during these negotiations, the Government of Canada insisted that the Official Languages Act be complied with.

I am convinced that, had the hon. member followed the negotiations and taken a genuine interest in the outcome of an unprecedented co–operative effort in the Canadian air transport industry, he would have realized that the French language and the needs of the people who use this language at work, not only in Quebec but across Canada, are well represented on NAVCANADA'S board of directors.

[*English*]

CANADA CUSTOMS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, last year Mr. Callum Scott, a Canada Customs agent at the Ottawa airport, was reprimanded and subsequently left in employment limbo because he was wearing a poppy on his uniform on Remembrance Day.

The mismanagement by the minister and his department officials has cost Mr. Scott his job and his dignity over the course of this past year.

I ask the Minister of National Revenue and taxation, customs and excise how this could possibly have happened. What measures has he taken to ensure Mr. Scott receives a fair hearing from senior management, as he has been promised over the course of the year?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I assure the House that the wearing of a poppy is no ground for any concern with Revenue Canada. The rules are clear for senior managers. Wearing a poppy by people in uniform is perfectly acceptable.

If in Mr. Scott's case there was any suggestion or concern, it was against the policy of the department. I do not have any information as to whether it was a failure of policy in this instance.

Mr. Scott has a number of opportunities to proceed with various grievance procedures. Under the circumstances it would be inappropriate for me at this time to comment any further on this case.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, Mr. Scott has phoned the minister 37 times. This individual has used the procedures but has been stonewalled every time he turns around by the management of the minister's department. The poppy issue is over but what is at stake is that over the course of this year this gentleman has been put into forced unemployment.

• (1500)

The gentleman is suffering severe stress. The department has put this gentleman, who has received many commendations of good employment, under such duress and stress that he has had a medical certificate given to him. This is the kind of work this minister considers efficient and effective.

Why does he not return his phone calls? Why does he not give this gentleman what he promised and what his department has promised over the last six months?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the gentleman in question has had his communications returned. There are procedures in place for handling the complaint that he has. I believe it would be appropriate that this take place and I certainly will not comment on his medical condition.

Routine Proceedings

PORT OF VANCOUVER

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of Transport.

British Columbians are outraged at the suggestion that the Liberal government, supported by the Reform Party, is going to privatize Ports Canada police in the port of Vancouver.

In view of the negative impact this is going to have on smuggling and other crime control in the port of Vancouver and the overwhelming opposition to this plan from the communities affected, will the minister assure the House that he will not proceed with his shameful plan to privatize Ports Canada police in Vancouver, a plan which the Reform Party of British Columbia has supported?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I find the hon. member's question incredible, being from British Columbia and knowing the importance people in that province attach to being able to operate the port of Vancouver, the biggest, most important port in Canada. They have been asking for years to have the right to operate the port, to make decisions in British Columbia, in Vancouver, about the operation of that port.

It is a multimillion dollar operation with enormous potential. The hon. member now stands in the House as a member of Parliament from British Columbia and says to the Government of Canada "give up the port, develop an autonomous organization that is responsible for all the decisions related to the port", but he would have us keep responsibility for 43 port police in an operation of that size.

I believe that if the people of British Columbia and the people of Vancouver wish to operate the port of Vancouver, they are more than competent to be able to take care of the policing responsibilities that go along with the port.

* * *

PEACE PLAN

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

On November 21 a peace plan to end the fighting in Bosnia–Hercegovina was signed, yet many individuals are still suffering the effects of the conflict.

Can the minister tell the House how his department has responded to the crisis?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the hon. member for his question. It is well known and recognized in Canada and internationally the role that our peacekeepers have played in that part of the world.

In addition to the peacekeeping forces, in addition to the financial help extended by Canada, Canada has also played a role in the immigration and refugee front. Relaxed criteria have allowed people from the former Yugoslavia who were visiting to be reunited with their families. Since 1992 we have been able to land 7,000 individuals. Through private and government sponsorship, 18,000 refugees from this part of the world have been landed in Canada.

Last August when the UNHCR made an international appeal for some 5,000 settled individuals, Canada pledged 10 per cent or 500 on top of the other measures taken. It shows in a very clear and powerful way that Canada continues to lend a helping hand to those who are in need.

The Speaker: This brings question period to a close. I had notice earlier today of a question of privilege. As you know, I hear questions of privilege as soon as possible after question period.

I address myself to the member for Ottawa West. Because it was not the full time allotted, I will hear her question of privilege tomorrow.

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 five petitions.

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[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the House a report from the Canadian branch of the Commonwealth Parliamentary Association concerning the 19th Canadian regional seminar which was held in Toronto, Ontario from November 24 to 26, 1995.

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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.): Madam Speaker, I have the honour to present the 109th report of the Standing Committee on Procedure and House Affairs regarding the request from the Standing Committee on Human Rights and the Status of Disabled Persons to change the English version of the committee's name to Standing Committee on Human Rights and the Status of Persons with Disabilities.

If the House gives its consent, I intend to move concurrence in the 109th report later this day.

Madam Speaker, I have the honour to present the 110th report of the Standing Committee on Procedure and House Affairs regarding the Treasury Board Secretariat proposal on a trial basis for revised Part III documents for the 1996–97 fiscal year for six departments; namely, the Departments of Transport, Agriculture and Agri–Food, Indian Affairs and Northern Development, Fisheries and Oceans, National Revenue and Natural Resources.

The work that was done by the committee in this regard was really done by the subcommittee on estimates, chaired very ably by the hon. member for Ottawa West. I congratulate her on the good work that her subcommittee has done in this regard.

If the House gives its consent, I intend to move concurrence in the 110th report later this day.

[*Translation*]

Madam Speaker, I have the honour to present the 111th report of the Standing Committee on Procedure and House Affairs regarding its order of reference of May 17, 1995, concerning Bill C–319, an act to amend the Canada Elections Act (reimbursement of election expenses).

The committee reviewed Bill C–319 and tables its report, with one amendment.

[*English*]

Also, while I am on my feet, Madam Speaker, I have the honour to present the 112th report of the Standing Committee on Procedure and House Affairs regarding the selection of votable items in accordance with Standing Order 92.

[*Translation*]

This report is deemed adopted when laid upon the Table.

[*English*]

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Human Rights and the Status of Disabled Persons.

Pursuant to Standing Order 108, the committee conducted a study of the national strategy for the integration of persons with disabilities and now tables its report entitled "The Grand Design: Achieving the 'Open House' Vision".

• (1510)

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report within 150 days.

A vision without a plan is romantic at best; a plan without a vision is simply adjusting the existing order of things.

* * *

CRIMINAL CODE

Mr. Art Hanger (Calgary Northeast, Ref.): moved for leave to introduce Bill C–364, an act to amend the Criminal Code (no parole when imprisoned for life).

He said: Madam Speaker, this bill amends certain provisions of the Criminal Code that relate to life imprisonment. It ensures that when a life sentence is handed down, it means imprisonment without any access to parole for the remainder of the natural life of the offender.

Currently under section 745.5 of the Criminal Code, after serving 15 years, those sentenced to life have access to judicial review to determine whether or not a reduction in sentence is warranted. This is a miscarriage of justice. Many life sentences have been given because they are the maximum penalty within the Canadian judicial system.

No matter how compliant or well behaved a prisoner is while incarcerated, a barbaric crime was committed. All the remorse and compliance in the world cannot bring the victim back to life. It is imperative that the prisoner serve the entire sentence which has been handed down. For the families, it is a sense of closure. For the Canadian public, it is service of justice. For the criminal it is paying a debt to society.

Let there be no misconception. If you take a life, you spend the rest of yours behind bars. Life means life.

(Motions deemed adopted, bill read the first time and printed.)

* * *

SENATOR SELECTION ACT

Mr. Jim Abbott (Kootenay East, Ref.): moved for leave to introduce Bill C–365, an act to allow the electors of a province to express an opinion on who should be summoned to the Senate to represent the province.

He said: Madam Speaker, it is my pleasure to introduce my private member's bill, an act to allow the electors of a province to express an opinion on who should be summoned to the Senate to represent the province.

The Reform Party's ultimate objective always has been true Senate Reform, a triple E Senate, elected, equal and effective. We can change the method of appointing senators so that they are elected.

This bill will change the method of appointing senators through an election process without constitutional revision. It will require that the Prime Minister wait to receive the expression of opinion from any province with a senatorial selection act similar to the Alberta senatorial selection act which resulted in Senator Stan Waters being appointed to the Senate.

The current Senate has not been able to perform its role effectively because the selection process has undermined its legitimacy. There is considerable urgency for the introduction of this bill now because the Government of Canada is cramming through veto legislation which will create constitutional gridlock.

I am introducing this bill today as a result of the forced vote to be held this afternoon on Bill C–110. The long range interests of Canadian federalism will truly be served by Senate reform.

(Motions deemed adopted, bill read the first time and printed.)

* * *

• (1515)

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 move that the 109th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move that the 110th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

JUSTICE AND LEGAL AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.) moved:

That, pursuant to its mandate in relation to the Comprehensive Review of the Young Offenders Act (Phase II), and specifically, to observe how the youth justice system operates in practice, the Standing Committee on Justice and Legal Affairs (6 members): four (4) from the Liberal Party including the Chair, one (1) from the Bloc Quebecois and one (1) from the Reform Party, be authorized to travel to:

I. Halifax, Sydney, (N. S.), and Charlottetown (P. E. I.) from February 18 to 23, 1996;

II. To Toronto and London (Ont.) from March 3 to 8, 1996;

III. Montreal and Quebec (Que.) from March 24 to 29, 1996,

in order to hold public hearings, visit sites (young offender facilities and programs) and meet with officials and that the necessary staff do accompany the Committee.

(Motion agreed to.)

Mr. Milliken: Madam Speaker, since we are almost at the end of the session, I should like to take the unusual step of thanking my hon. colleagues opposite for their co–operation in arranging for all the routine motions that we have on a regular basis.

The hon. member for Roberval, the hon. member for Laurier—Sainte–Marie, the hon. member for Bellechasse, the hon. member for Lethbridge and the hon. member for Nanaimo—Cowichan have spent a lot of time going over these documents in advance. I thank them for their co–operation, as well as all hon. members who patiently listen while we go through this rigmarole on a regular basis to have the motions adopted.

* * *

[*Translation*]

PETITIONS

HUMAN RIGHTS

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I have the pleasure of submitting a petition signed by about 100 people from the Montreal region, including some of my constituents.

The petitioners ask Parliament to amend the charter of rights and freedoms so as to protect individuals against discrimination based on sexual orientation.

[*English*]

FOREIGN AFFAIRS

Ms. Judy Bethel (Edmonton East, Lib.): Madam Speaker, pursuant to Standing Order 36, I have the honour to present a petition today signed by 359 residents of Edmonton.

It has been over one month since Ken Saro–Wiwa and eight other Ogoni activists were executed. The Prime Minister condemned this atrocity at the Commonwealth summit. Reaction to these executions at the University of Alberta was strong and swift.

The Standing Committee on Foreign Affairs and International Trade is reviewing the situation tomorrow morning. I ask that members consider the views of my constituents in their deliberations.

HEALTHY AND SAFETY

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, I have a number of petitions to present today.

The first petition notes that employees of the House of Commons, the Senate, the Library of Parliament and the staff of members and senators have no health and safety protection under the law. The petitioners note a number of circumstances in which their health and safety have been jeopardized on the Hill.

They call upon Parliament to press the government to finally proclaim parts II and III of the Parliamentary Employment and Staff Relations Act.

SRI LANKA

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, the second petition is presented on behalf of hundreds of Canadians, in particular Tamil Canadians, who express their deep concern about the continuing military offensive by the Sri Lankan armed forces against Tamils in the north and east of Sri Lanka.

• (1520)

It calls upon Parliament to ensure that Canadian neutrality in the national conflict is not jeopardized; to intervene immediately and release Mr. Manickavasagam Suresh who was arrested in Canada pursuant to a minister's certificate; to take action to lift the economic embargo and press censorship in the north and east of Sri Lanka; and to resolve the conflict between the Tamil people and the Sri Lankan government through peaceful negotiations between the Sri Lankan government and the LTTE, the representative of the Tamil people.

EAST TIMOR

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, I have an additional petition to present dealing with the very serious situation in East Timor.

It calls upon Parliament to send a clear message to the Indonesian government from Canadians that human rights violations against the people of Indonesia, and especially East Timor, will not be tolerated; to enforce this statement by making recent trade and aid deals with Indonesia contingent on respect for human rights as set out in the petition; and to ensure that Canada lends full and vocal support to the United Nations mediated peace process, pressing for the inclusion of East Timorese representatives in the peace process and access to East Timor for the United Nations and human rights and humanitarian organizations.

PEACE TAX

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, I have the honour to present the final petition which is signed by residents of Victoria and other cities in British Columbia.

It calls upon Parliament to establish a peace tax legislation which recognizes the right of conscientious objectors not to pay for the military and within which the government would declare its commitment to apply that portion of their taxes that was to be used for military purposes toward peaceful purposes such as peace education, war relief, humanitarian and environmental aid, and housing.

IMMIGRATION

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, I have the honour, pursuant to Standing Order 36, to present some 1,000 signatures of petitioners from my riding of Winnipeg North and beyond concerning certain aspects of our immigration policy.

They pray that the landing fee be collected at the issuance of the visa and that no surety bond requirements for applicants be applied.

Knowing that the minister of immigration is sensitive and caring about immigrants and their sponsoring families, this member remains very optimistic.

SRI LANKA

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, I am pleased to present to Parliament a petition signed by a number of people in Alberta regarding the military offensive by the Sri Lankan armed forces against the Tamil regions.

The petitioners are requesting the restoration of their rights and dignity and the release of Mr. Manickavasagam Suresh.

Therefore the petitioners humbly pray and call upon Parliament to ensure Canadian neutrality in the national conflict in Sri Lanka is not jeopardized. They request Parliament to intervene immediately and release Mr. Suresh.

NATIONAL UNITY

Mr. Clifford Lincoln (Lachine—Lac-Saint-Louis, Lib.): Madam Speaker, I am pleased to present a petition from 41 people in my riding and in the regions adjoining, written in both of Canada's official languages.

[*Translation*]

The petitioners ask the Prime Minister and the Parliament of Canada to immediately state and confirm that Canada is indivisible and that the boundaries of Canada, its provinces, territories and territorial waters may only be modified by a free vote of all Canadian citizens as guaranteed by the Canadian Charter of Rights and Freedoms, or through the amending formula stipulated in the Canadian Constitution.

[*English*]

It provides that Canada is indivisible and that the boundaries of Canada, its provinces, territories and territorial waters may be modified either by a free vote of all Canadian citizens as guaranteed by the Canadian Charter of Rights and Freedoms or through the amending formula stipulated in the Canadian Constitution.

VIOLENT OFFENDERS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, it is my honour today to present to the House a petition containing over 500,000 signatures from the Melanie Carpenter Society. To be exact, there are 506,285 signatures in seven boxes full of petitions.

The petitioners pray that Parliament will enact legislation to keep dangerous sex offenders and pedophiles locked up for life; to eliminate statutory release; to impose stiffer sentences for violent offenders; to have violent criminals serve their full sentences and have time added for bad behaviour; to have a central registry for the names and addresses of violent offenders; to give more power to legal institutions to keep dangerous criminals, even after their sentences are served if they are still at risk to society; to give the police more authority in apprehending and interrogating violent offenders, including the ability to take blood and salvia samples; to eliminate the insanity, drunk or drugged defence; to impose stiffer laws and sentences for stalker criminals; and to reinstate capital punishment for first degree murder in which there is no doubt of guilt. They humbly pray that Parliament enact legislation.

• (1525)

I present these over 500,000 signatures from Canadians from coast to coast to coast.

BESSBOROUGH ARMOURY

Ms. Hedy Fry (Vancouver Centre, Lib.): Madam Speaker, pursuant to Standing Order 36, I rise to present a petition on behalf of the residents of the city of Vancouver, B.C.

They call upon Parliament to endorse the Bessborough Armoury Community Services project for the use of underused defence institutions in the city of Vancouver, and to initiate appropriate action to designate the armoury facility for shared use and make it accessible to the residents of the city of Vancouver for the community services proposed.

ALCOHOL

Ms. Hedy Fry (Vancouver Centre, Lib.): Madam Speaker, I have another petition to present from the people of British Columbia.

The petitioners respectfully call upon Parliament to enact legislation requiring that all containers of alcohol sold in Canada bear warning labels, alerting consumers of the attendant risks of alcohol consumption.

YOUNG OFFENDERS ACT

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, I have two petitions to present today.

The first group of 200 petitioners requests that Parliament pass legislation to strengthen the Young Offenders Act, including publishing the names of young offenders, lowering the age of application and transferring serious offenders to adult court.

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, the second group of petitioners requests that the Government of Canada not amend the Human Rights Act to include the phrases sexual orientation.

The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people.

* * *

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 the remaining questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CONSTITUTIONAL AMENDMENTS ACT

Hon. Sergio Marchi (for the Minister of Justice) moved that Bill C–110, an act respecting constitutional amendments, be read the third time and passed.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Madam Speaker, I am pleased and proud to take part in the debate in the Chamber this afternoon on third reading of Bill C–110, an act respecting constitutional amendments.

It will be very difficult for all of us in the short time allocated to each speech to capture the essence of how members feel about Canada and our shared future. However allow me to try nonetheless.

[*Translation*]

I listened carefully to the members opposite who told us what we cannot or should not do. I want to tell you about what we should do, can do and will do. With the support of all Canadians, we are going to unite Canada, and this is precisely what this debate will be all about.

[*English*]

I have listened to the ideologues of the Bloc Quebecois who would rather tear down than build. I have listened to Reformers who, despite all their loud noises, shouts and grunts, are really the couch potatoes of national unity. They would rather second guess. They would rather criticize than encourage. They would rather watch than participate as they did during the last referendum.

Participation is one of the two issues I should like to talk about for a moment. We have all heard the word participaction. Perhaps it is now time to talk about citizaction. Just as participaction is about exercising the body, citizaction should be about exercising our responsibilities and obligations as citizens of this great country. Good citizenship is not only about sitting on your hands and criticizing, like the third party, but it is also about getting out and doing something.

• (1530)

Good citizenship also means making a difference. At the end of the referendum we witnessed in a very moving and a very powerful way how average Canadians across this land answered that call and defined what citizenship is and should be all about.

I am talking about the unity rally in Montreal. I am talking about the candlelight vigils on the Pacific coast. I am talking about the march by tens of thousands of Canadians across the bridges between Hull and Ottawa. I am talking about the raising of the Canadian flag on Signal Hill in Newfoundland; all of these and many of the other demonstrations where people came together in the sense of collectivity, in the defence of a sense of community and demonstrated their affection not only for their country but for the kind of deep rooted commitment they have to good citizenship from coast to coast to coast.

This is a country of doers and not whiners. This is a nation of home builders and not home wreckers. The October 27 rally in Montreal for me and many others was a day like very few. We shall never forget that day for those who either watched it or participated in it. It was a day when the Canadian family showed what it was all about, considering the jammed buses and trains and planes that created that incredible movement to Montreal.

The Toronto caucus in metropolitan Toronto and area was able to facilitate on two days notice 100 buses of committed Canadians who wanted to do something about this country, about the inability to facilitate any other coach in the Ontario system because they were all gone.

We had to rent buses from Pennsylvania because of the lack of buses in the Ontario system. The Finch West Bakery in my riding, because people were getting up and lining up at four o'clock in the morning to get on one of these coaches, provided croissants and muffins and orange juice as its contribution to this movement.

We have to consider people like John Campion who said: "We cannot go but we would like to fundraise for those who want to go but may not be able to afford to go on their own". We had an outpouring of Canadians coming forward with financial contributions.

We had strangers who could not get on the bus and who car pooled with other strangers. All of a sudden, through that exercise we had instant friendship and instant family that tied us together quite naturally.

It sounds simple, and maybe it was, but it really was about ordinary Canadians doing extraordinary things. Farmers from Quebec shook hands with those farmers who travelled from western Canada. It was about a schoolgirl who sang the national anthem next to me, who was beside a gentleman who was born thousands of miles away in southeast Asia but who now proudly calls his home Canada.

It is the kind of thanks and appreciation, without being patronizing, we received from our fellow family Quebecers on the streets of Montreal who said thank you for coming down in solidarity, thank you for not abandoning the concept of community and of family, despite the attempts of some in the media to portray things clearly that were not the reality on that day.

One of the lessons that rally taught all of us, particularly the political class on both government and opposition benches, is that unity requires inclusion. That was the strong message of the rally. It showed Canadians also need to get involved and be part of the solution. Canadians must be able to sing the song and not only hold the song sheet in order for the country to continue to be the kind of society that is recognized not only by us but, more important, by those across the globe.

• (1535)

On that day in Montreal there were thousands of individual acts by ordinary Canadians that epitomized what good citizenship is all about. Sometimes as the minister of citizenship I am called to define citizenship, what active and engaged citizenship means. Sometimes we have these speeches that try to articulate that. Yet how powerful and eloquent instead of those speeches was the act on that day that gave expression to what active and engaged citizenship should be and is all about.

We have also heard from our friends in the Bloc mutter about the federalist plots and the discount fares which were the real reasons people came together in Montreal. Does the leader really think a cabal of schemers and plotters as well organized as it may be could have produced such spectacular events without the willing, enthusiastic participation of those Canadians? I think not.

Does he subscribe to the politics of exclusion, to the politics of marginalizing people on the sidelines of our country? That is the second issue I would like to touch on this afternoon, the attempt by some to marginalize segments and people in Canadian society.

Canada cannot and will not survive in a climate of tribalism or of attempting to push certain groups to those dark corners, to those margins. This initiative today is not and cannot be only about history. It cannot be restricted or limited in debating only the English and French reality in the country.

This debate has also to be about our present and about our tomorrows. We must be inclusive and talk about today and a future that includes the French and the English facts that gave rise to the country. We must also embrace without reservation, without qualification the reality of the aboriginal people in Canada and the millions of Canadians whose origins span the globe.

It is only when we speak of these four pillars, the French, the English, the aboriginals and the Canadians who have adopted this country as theirs, does it give full expression to Canada. Only then will it be inclusive and only then can Canada be entirely whole.

Let me be very clear to those across the way who would want to dance neatly through the politics of exclusion by attempting to shrug off too many statements that were nothing more than veiled ethnic slurs, slurs that really try to appeal to people's darker sides and lowest instincts. It was not only a case of pure campaign gimmickry to alienate and marginalize individuals in the province of Quebec; it continues today, after the referendum was fought and won by Canada.

It continued this week when elements of that separatist movement suggested ethnic communities in Quebec were enemies of Quebec. It was articulated by Pierre Bourgault, who had the audacity and the courage to suggest that those Greeks, Italians and Jews were racist because they voted for Canada.

The separatists across the way and those beside them who participate in the politics of division would want to stratify our province of Quebec, our nation of Canada into different classes of people. They would want us to talk about them and us.

• (1540)

I find it exceedingly ironic that the separatists would try to chide, castigate and humiliate those communities which in large numbers have always supported the quest for the French Canadian identity in Quebec and across the country, those which largely have always supported the quest for that French Canadian language not only to be preserved and protected but to be enhanced, those which in the late sixties and early seventies supported the battle for bilingualism which Mr. Trudeau and the current Prime Minister fought tooth and nail for.

They did so willingly. They did so because they believed in that, because it defined what Quebec in Canada is and should be about. They also did so because they identified with that kind of quest for themselves, which is also part of Quebec and part of Canada.

We have the maturity and the foresight in this country such that when immigrants come through our airports we do not ask them to check their cultural baggage at Revenue Canada, Canada Customs and Immigration Canada. We say they are no less Canadian for believing in who they had been for the past 30 years or in the forces that shaped them in Europe, in Africa, in South America.

Now because those ethnic communities, as they are referred to, have the temerity to choose Canada, they are ridiculed. It is the separatists who are wrong because there does not have to be a choice. Those members in the Canadian family labelled ethnic want both and can have both because the two concepts are compatible. One can be fiercely loyal to Canada and our flag while at the same time aggressively promoting that which is the very essence of Quebec or our other provinces and territories.

That is their mistake, that they push for that either/or, when in fact those members of the Canadian family labelled as ethnic have always supported both, the search for the French Canadian identity and the eloquence of being a member of the Canadian family, the best membership the world knows.

When we cast our minds back to October 27 on the streets of Montreal, there were also immigrants at that rally. There were ethics at that rally. There were people whose skin tone was different from ours and there were people whose mother tongue was different from ours. However, we should never forget, let alone castigate them, that they were there because they too love Canada and Quebec, because they too helped build Canada and Quebec and because this is not just our home; this is also Quebec and Canada, their home.

The government will never play that ugly game of exclusion because that is a game that quite frankly breeds racism, hate and division. If we were to go down that dark ally which some want us to travel it truly would be the beginning of the end, without exaggerating.

All we have to do is notice on our television screens every night the kinds of wars and division this so–called world of ours is engaged in. If we think of the root causes which regrettably give life to the kinds of acts of one against the other, it is always found in the very divisions these statements would have us propelled into, the game of exclusion that does breed racism, hate and division between brothers and sisters.

We also know or should know in our souls that unity is certainly not exclusively built around constitutional amendments, constitutional discussions or constitutional conferences. I think Canadians know this very well. It is much more than that. Constitutions do not necessarily build countries. Constitutions do not necessarily give countries greatness. Constitutions do not necessarily provide countries with momentum. People do.

• (1545)

Unity is bound by how we treat each other. On this score, Canadians and the very essence of Canada as I define it have always valued generosity, inclusion and a sense of compassion for one another. That is one of the reasons our country has been able to prosper over the years. This is not the time to abandon those values because those same values are needed the most at this time.

[*Translation*]

We must make these values part of our daily lives, perhaps even celebrate them in special events such as National Citizenship Week and Flag Day. This coming year, the two events will be combined into a week of celebrations around the theme *Canada: take it to heart.*

We have recently begun to note in Canadians throughout the country a growing desire to show their great love of Canada and their concern for the state of the nation in some concrete way.

[*English*]

It was with this in mind that the Canada take it to heart initiative was developed by the citizenship and immigration department working with the Canadian heritage department. Together we created a special week of activities where Canadians can come together to celebrate their commitments as fellow citizens and their pride in being Canadian and the remarkable heritage and future we all share.

This is just one very modest way of expressing that sense of Canadian community. For that concept of community to survive and indeed thrive, it will need the help and co–operation of the entire Canadian family, of all Canadians in all regions of all ages and of all backgrounds. We should never forget that it is only through the participation of Canadians and the inclusion of all of her people that we can make Canada grow, thrive and flower.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, Bill C–110 is a big mistake. It not only fails to respond to Quebec's expectations but even makes future constitutional amendments impossible, for all practical purposes. When everyone has a veto, the obvious and inevitable conclusion is that on any given proposal for a constitutional amendment, there will always be one holder of a veto who will use it to block such proposals.

Although the Prime Minister hinted to the House that recognition of the distinct society concept would eventually be included in the Constitution, the veto powers he is now distributing left and right will make it impossible to make any further amendments to the Constitution. It would be a joke, if it were not so tragic. However, this is symptomatic of a far more fundamental problem.

• (1550)

When provinces and First Nations insist on each having a veto on any constitutional amendment, this can mean either that all parties are so pleased with the Constitution as it stands that they want to give each other assurances they will never change it, or they are showing a considerable distrust of the federal system. I am afraid the answer is obvious.

The present Constitution of Canada does not fit the economic, social and cultural realities of Canada today. The profound constitutional malaise in our societies today has many consequences for our daily lives, because of the combined impact of the federal government's legislative and spending powers.

That is why we are now saddled with an incredible deficit, why employment policies always were and still are formulated from the top down without any real regard for the provinces and why the spectre of national standards irrelevant to regional situations can only mean institutionalized chaos.

In this respect, the Quebec government's desire to establish a new partnership with the rest of Canada was and still is a unique way to start the 21st century with a process that would make for a new relationship and a new solidarity between the populations residing in the Canadian economic space. Unfortunately, traditionally federalist forces have stubbornly distorted Quebec's blueprint and made it out to be the opposite of what it really is.

[*English*]

Even the Minister of Citizenship and Immigration a few moments ago could not resist doing exactly that. The minister and this government must realize that when a majority of Quebecois voted no in the last referendum, it was in the hope that the Prime Minister would deliver on his promises.

The bill now before the House is not what was expected and is not what is needed. Therefore, no one should be surprised if in due time those who voted no shall want to reconsider through another democratic referendum.

In view of this, it is most unfortunate that the Reform Party proposes using legal force to oppose the legitimate will of the people of Quebec to reconsider democratically their future. Furthermore, it is also most unfortunate that the Reform Party has stated that should the people of Quebec decide in favour of sovereignty, it would be denied this outcome using armed forces. Even the Prime Minister let it be known that he would object to the unfolding of this democratic process. This is intolerance and it is unacceptable in any democratic country.

[*Translation*]

Nor do we need the kind of statements that are spread around by the Liberal Party of Canada and repeated by the anglophone media, that Quebec is living on handouts from the rest of Canada and is not capable of taking full control of its tax system, legislation and international relations.

The exact opposite is true. In fact, Quebec contributes one quarter of federal revenues and also carries one–quarter of the federal debt, but unfortunately, it receives significantly less than its share of federal spending that creates jobs.

• (1555)

This unfortunately, but unavoidably, leads to proportionately greater unemployment insurance and social security expenditures, so that each federal transfer reduction measure wreaks even greater devastation on Quebec. This is exactly what has been happening in recent years. Per capita federal transfers in constant dollars have dropped significantly in the past few years.

This is why Quebec must take back control of its economic and tax levers at the earliest opportunity. To this end, serious and doubtless difficult negotiations will be required for the needed modernization of the constitutional framework. In the meantime, however, the very last thing we need is a bill that is both a bogus overture to Quebec and a straitjacket that will preclude any constitutional change in the future.

Traditionally, Quebec has always demanded a constitutional veto, and I repeat, constitutional, as protection against amendments to the Constitution which are contrary to its interests.

Let us take a quick look at history and remember that, in the early 1960s, the Fulton–Favreau formula arose out of a constitutional conference. It provided for a veto for the provinces on any constitutional amendment affecting their rights, powers and privileges. In 1971, the Victoria conference proposed a constitutional veto for Quebec, Ontario, two of the maritime provinces and at least two of the western provinces whose combined populations constituted a majority.

The mechanics of Bill C–110 are oddly similar to the Victoria formula, with one exception. In 1971, fourteen years ago, they were talking about a constitutional veto and not a simple legislative measure. It was the former Liberal premier of Quebec, Robert Bourassa, who turned down the Victoria accord, because it did not satisfy Quebecers.

Then, in 1979, the Pepin–Robarts report proposed four regional vetoes, including one for Quebec. In 1982, then Prime Minister Pierre Elliott Trudeau, with the help of the current Prime Minister, tore up the 1867 Constitution, replacing it with another one, without Quebec's consent. Ever since that time, there has been a crying need for a constitutional veto allowing Quebec to protect itself against amendments that would hurt its interests.

The famous Meech Lake accord, which was supposed to achieve reconciliation between Quebec and the rest of Canada after the 1982 patriation episode, would have given Quebec a veto. We know what happened next. The current Prime Minister torpedoed the accord with the help of Clyde Wells and his associates.

In 1991, Beaudoin–Edwards recommended four regional constitutional vetoes, including one for Quebec; in 1992, Beaudoin–Dobbie also recommended a constitutional veto for Quebec.

Even the Charlottetown accord, which was found clearly lacking by the vast majority of Quebecers in a referendum, would have given Quebec a veto.

• (1600)

As we can see, the constitutional veto demanded by Quebec is a constant political aspiration that has always been at the heart of its minimum requirements. That is why, when the Prime Minister portrayed the Constitution as a path to change and promised a veto, as he did in Montreal, Quebecers were clearly expecting a constitutional veto, since Quebec always talks about this as a minimum.

As we know, giving Quebec a constitutional veto would require the consent of the federal government and the 10 provinces. Yet, according to a recent poll, barely 10 per cent of people in the rest of Canada support a veto for Quebec. The Prime Minister must know that he is in no position to give Quebec a constitutional veto. He also knows that, as he keeps telling everyone in the rest of Canada, a legislative veto is not worth much.

That is why the government performed mental gymnastics to create the illusion that it is offering Quebec a real veto. In fact, nothing could be further from the truth. What the Minister of Justice is proposing to this House is not a real veto. In fact, his bill would give Quebec no constitutional protection against constitutional amendments.

Bill C–110 is not a constitutional guarantee that would ensure that Quebec will be protected in the future. You and I know that the government in place could repeal this bill at will. In fact, that is exactly what the Reform Party said it would do upon taking office. This goes to show how tenuous the protection offered by Bill C–110 would be.

The federal government has some gall to talk about a veto when in fact what it is offering Quebec is all wind, an illusion. Worse yet, it actually guarantees that no constitutional change benefiting Quebec will ever be approved, since all it will take is for another veto right holder to object to nip any reform attempt in the bud. With Bill C–110, we can be sure that the federal system will be even more impossible to change than ever before, until such time as the government grows tired of resisting and finally decides to repeal the miserable act.

What this government has come up with is at best a sort of self–censorship that is only binding on this government, if at all. In fact, with this stroke of inspiration, the Prime Minister will have managed, if only briefly, to make the Canadian federal

system even more inflexible by taking the dangerous step of protecting the status quo at his own risk.

• (1605)

In reality, Bill C–110 is intended solely to convince Quebecers that the Prime Minister is making good on his referendum promises. No one in Quebec will be taken in, as recent surveys prove quite well.

Half of Quebecers opted for sovereignty–partnership and the rest, the majority, pinned their hopes on renewed federalism, but the bogus veto proposed by the Minister of Justice will not satisfy even his erstwhile referendum allies who, let us keep in mind, have always called for a constitutional veto for Quebec.

[*English*]

The federal government "knows best" attitude has been, is and will remain totally counter productive in this country.

[*Translation*]

During the debates on this bill this House has had a chance to appreciate the Prime Minister's talent for improvisation—I have chosen that term deliberately—in para–constitutional matters, by granting the province of British Columbia its own veto. But we must be well aware that adding to the number of vetoes ends up watering down their value, by diminishing the concept and thus its effect as well.

It must be realized that, although having a veto reassures each veto holder that Canada could not go against its interests constitutionally, this does not in any way make it possible for a province to go where its interests dictate. In short, it is our feeling that not only does the formula proposed by the Minister of Justice run contrary to the higher interests of Quebec, it is also contrary to the higher interests of Canada. For this reason, I and the Bloc Quebecois will be opposing passage of this bill, in accordance with the convictions of the large majority of Quebecers.

[*English*]

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I would like to commence my speech today on behalf of the Reform Party with regard to Bill C–110 by speaking about the attitude there seems to be on the part of people in the government.

This attitude is led by none other than the Prime Minister. People in the House have learned, they have listened and understand well. The attitude is that if there is vacuousness, in other words, nothing to talk about and nothing to offer, then attack the other person's motive.

I was deeply dismayed yesterday and I quote the Prime Minister when he said: "There has not been one day since we have been talking about this problem that he"—referring to the leader of the Reform Party—"has not been in bed with the Quebec separatists. There has not been one day he does not want to try to make life difficult for a government that is trying to save Canada. There has not been one day that he is not causing some disturbance in Canada because he has no interest in keeping the country together".

I find that kind of personal attack beneath the dignity of the person who has the title of Prime Minister of Canada. It is exceptionally unfortunate that he is setting that kind of tone for the people in his party when he has absolutely no content, no idea of what he is doing. He is running this country from the back of an envelope. He attacks the motives of the leader of this party or anyone else who does not go along with his flavour of the day.

• (1610)

His flavour of the day apparently has now changed and we are going to have a veto for the province of B.C. While there are few things said by the Bloc Quebecois I agree with, I agree with the last speaker that this veto for the province of B.C. is nothing more than an additional piece of chewing gum to add to the chewing gum and baling wire that has been used to put together this concocted Bill C–110 in the first place.

How did we get there? Contrary to the remarks of the Deputy Prime Minister who apparently has taken the comments and the direction of the Prime Minister to heart to the point of ending up in tears here in the House of Commons, contrary to her point of view and the way in which she chooses to express it, there are people in Canada, including members of the Reform Party, who are avowed federalists and believe in the concept of keeping this great nation together. The chewing gum and baling wire effort at this point is so absolutely and abjectly inadequate as to make my stomach turn.

Why do we have this bill? It is, first, because the Prime Minister panicked. Obviously the "don't worry, be happy" attitude he had when he came to British Columbia saying everything is fine, did not work. "I am really pleased that nobody in British Columbia, nobody in the west, has been panicking over the fact that we have not really been running in this referendum debate. It is really nice that you have not been running and creating any problems, therefore don't worry, be happy".

That was approximately two weeks before October 30 when the first string quarterback, Jacques Parizeau, decided to replace himself with a backup quarterback, the leader of Her Majesty's official loyal opposition as the person who was going to lead the province of Quebec out of Canada.

When that happened, the people of Quebec started to listen to the siren songs and the abject lies of the separatists. They listened to them and actually believed that by voting yes, this group to my right were talking about making a better place for Quebec in Canada. What the people of Quebec did not know at that time was that the leader, the vice–premier of Quebec, was actually at that time circulating to four embassies saying that on October 31 you will recognize us as an independent state. The people of Quebec did not know that.

The leader of Her Majesty's official loyal opposition that the Liberals want in the position of Her Majesty's official loyal opposition decided that he would continue with those lies. He obviously got away with it to the extent that 38 per cent of the people who voted yes in the referendum actually believed those lies and that they were going to be a part of Canada.

What did the Prime Minister do? He absolutely panicked. He turned around and said: "Let's see, what do I have in my grab bag of tricks? What have we tried before? Why do we not take a whack at distinct society? Hey, that is a good idea. Let's do distinct society. What about veto? Yeah, crumb, let's do veto too. That's a good idea".

That is how we are in this House today with the government having rammed distinct society down Canadians' throats and tonight ramming veto down Canadians' throats.

Why did we get here? Some of the responses from my province are indicative of the kind of rage there is not only in British Columbia but around the nation. I will read a paragraph from a letter from Jack Weisgerber who is the leader of the third party in British Columbia. It is dated November 28 and addressed to the Prime Minister. He says:

> If your aim is to truly keep Canada united from coast to coast, as I certainly hope it is—

I might parenthesize that there are some people in Canada who would question the Prime Minister's motives. Because I find that act reprehensible on the part of the Prime Minister and the Liberals, I will not do it. Then he says:

> —you must have the courage to articulate a vision of Canada that is consistent with the views of most Canadians in every province. From British Columbia's perspective, the only vision of Canada that is acceptable is one where all provinces and all Canadians are equal, with special status for none. Surely that should have been the lesson learned from the referendum on the Charlottetown Accord, which is being entirely ignored by your government.

• (1615)

It is really telling the way in which this government has chosen to bring this legislation forward with a complete ignorance of the fact that the people of Canada rejected these provisions in the Charlottetown accord. Yet it is jamming it down their throats in spite of what the people have said.

The Reform Party is very clear and unequivocal. If there is to be any change to the Constitution, the Constitution must be approved by the people of Canada, not the provincial legislatures, not this assembly, but by the people of Canada because the Canadian Constitution belongs to Canadians.

We currently have an amending formula in our constitutional law. It is called the seven and fifty formula. That is the formula where seven provinces representing a total in excess of 50 per cent of the population of Canada would be able to ratify most changes to the Constitution. For the sake of time I will not go into the detail of the exceptions to that. That is a broad enough statement.

An interesting comment was written in the column "The write stuff" by constitutional experts David Bercuson and Barry Cooper. They say in part:

> First, remember that we do have a Constitution in Canada; it contains an amending formula. Mr. Chrétien surely knows that. Given his pivotal role in its adoption back in the early 1980s, he must have once believed that the current amending formula is a good thing. But now, with Saint Lucien about to become the great helmsman of the separatist cause in Quebec, the Constitution is no longer convenient.
>
> What then, can Chrétien do except to pretend the Constitution doesn't exist? Hence his proposal of wholesale change to the structure of government without following the rules. It is a plan that, if successful, will allow Chrétien to avoid the minor inconvenience suffered by Brian Mulroney of having his proposals for constitutional change thrown back in his face.
>
> Chrétien's proposals are, in our view, more dishonest, more divisive, and far more repellent than anything the Mulroney gang ever dreamed up.

They go on to say:

> There is no such thing as a "region" in the Constitution, or anyplace else in Canadian law. So, giving a constitutional veto to a "region" isn't much different than giving a veto to all red–headed, left–handed, green–eyed women in Canada. Both entities are equally recognized in the Constitution and both have the same status as constitutional players, namely none.

These experts, in looking at these things, are very incisive in their comments. They reveal the fact that the government and indeed the whole country of Canada are currently being run by a Prime Minister and his cabinet from scribblings on the backs of used envelopes.

In a column by Joan Bryden, entitled "Veto for B.C. fuels constitutional uproar" I read:

> Although B.C. will now be recognized as a fifth region with its own veto—along with Ontario, Quebec, the prairies and the Atlantic region—Premier Mike Harcourt complained the move will make it even harder to amend the Constitution in the future.

It means, effectively, that seven provinces representing at least 92 per cent of the population must approve any constitutional change before the federal government will consider giving its own stamp of approval.

That's a stiffer requirement than the seven provinces with 50 per cent of the population currently needed for most constitutional changes.

Forest Minister Andrew Petter, B.C.'s point man on the unity package, said Chrétien is putting a "straitjacket on Confederation" and accused him of making up his unity strategy "on the back of an envelope".

Truly that is exactly what the Prime Minister is doing. Yet the Liberal members, like sheep, will come to this House tonight, fall in line and vote for this straitjacket on the Canadian Constitution.

We have a situation where we are giving a veto. Perhaps I should stop for a second here and just detail my concept of what a veto is. Simply, if someone being one of many has a veto power and that person's vote was negative then that person would be able to stop the process in spite of the majority of the vote being positive. That is my understanding of the word veto.

• (1620)

What this Prime Minister has done is to give Canada's federal government constitutional veto over Canada's Constitution to the separatist government in Quebec. It is absolutely unbelievable. It is so unbelievable I have to repeat it: The Prime Minister is giving Canada's federal government constitutional veto over changes to Canada's Constitution to the separatist government in Quebec.

It goes beyond exasperation to think that those people would come back into this House tonight and actually vote that way simply because their Prime Minister says so. I should explain that there is a lot of embarrassment on the part of Liberals in the province of British Columbia because they have the misfortune of having the name Liberal. I will read from a column by an MLA candidate:

The federal government has made its spectacular move. In an effort to appease the disgruntled Quebec separatists, the Prime Minister is putting the true union of Canadian provinces at risk.

The thinly disguised 'veto to all' will leave Quebec in the position of stopping any constitutional changes, no matter how logical they may be. British Columbia, the fastest growing and third largest province has been pushed aside once more.

I say in parenthesis that this was written immediately prior to the extra inclusion of the veto for British Columbia, but the sentiments are exactly the same. This B.C. Liberal is trying to distance himself from the crazy federal Liberals. He goes on to say:

The unity committee, as designed by the Prime Minister, has one western Canadian representative—and she is from Edmonton. This committee now should be disbanded because Chrétien's latest move has made it redundant.

The 'distinct society' clause will enshrine a special status for a small section of our society and will inflame relations with Quebec for years to come.

Liberals, this is a Liberal speaking.

The Prime Minister has no inkling as to what makes Canada tick! He is completely out of touch!

The Charlottetown accord of 1992 was defeated because of the inclusion of this type of special treatment.

I wonder who the minister of western alienation is? This individual is doing a commendable job!

This was said by a B.C. Liberal candidate. However what does the B.C. Liberal leader say? When he was interviewed on December 6 the questioner asked: "You have no embarrassment though that they are Liberals and you are a Liberal in name?" The B.C. Liberal leader wanted to distance himself from these people over here because he said: "Our party is totally separate from the federal party. I am embarrassed for British Columbia that they are not standing up in Parliament and speaking up for the interests of British Columbia, which is what I believe their task is".

Mr. Hermanson: It is a different story if you are trying to get elected.

Mr. Abbott: It is absolutely amazing. It would be even more instructive if we were to take the words of the self–declared constitutional expert, the man from Vancouver Quadra. I will quote from an article dated November 30 where he acknowledges the regional veto system was resurrected from a constitutional conference in 1971. It may have come about for no other reason than because "someone in the Prime Minister's office mentioned it and nobody happened to point out that what worked in 1971 would not work now. I think it is as simple as that". That is what the member for Vancouver Quadra said to a reporter in Vancouver on November 30. It will be very instructive to visualize how this member will end up voting later in the day.

Why do we get there? The Prime Minister panicked because he had a totally worthless plan for trying to fight the referendum. That is the only reason we get there. We have a Prime Minister who has no vision and is out of touch. Quite frankly, it is my judgment and apparently the judgment of all my colleagues in the House that the Prime Minister should seriously reconsider his future in the role of Prime Minister of Canada. He has no vision.

• (1625)

I will quote from another authority. I consider this person to be an authority because as the former premier of Newfoundland from 1979 to 1989, Brian Peckford went through a tremendous number of constitutional wars. He points out something very subtle here:

Furthermore there are other problems with what is being proposed. In a ruling in September 1981, the Supreme Court of Canada said about a federal unilateral initiative to patriate and change the Constitution that it was inconsistent with the conventions of the Constitution which required the substantial consent of the provinces. This ruling is significant for at least two reasons:

I will give one:

> The concept of "conventions" of the Constitution. It can be argued that the present federal proposals involve a process that is really backdoor constitution making, given that it is possible in the future for the high court to rule that these proposals form part of the conventions of the Constitution. Therefore you actually have the likelihood that these will be viewed in a constitutional way even if they are not specifically put into the written Constitution.

He summarizes and submits that "the present federal proposals use a process which is contrary to what Canadians wish to see as the process for constitutional change". As a matter of fact, I would parenthesize again and say that this process is totally outside constitutional law. The Prime Minister is tinkering with the Constitution outside of constitutional law.

> The Supreme Court ruling of '81 casts serious doubt on the legitimacy of the process being used, in as much as what is being effectively done is tantamount to a constitutional change disregarding the convention of first obtaining substantial consent.

That raises a whole host of questions. Where is the substantial consent to these changes? Nowhere, except with 177 sheep. That is where the substantial consent is.

> These federal proposals if passed could be viewed by the supreme court in the future as part of a convention of the Constitution and hence carrying more weight than is currently being ascribed to them.

It is scary stuff. Very scary stuff. What is going on is that we have a fundamental subversion of the constitutional process, of the very document on which Canada and the relationships not only between the provinces, but between us as Canadians are founded. These are the rules under which we live together. These are the rules under which our various jurisdictions function.

The Prime Minister, out of a sense of panic, has gone ahead and made these changes. He is oblivious to the fact that according to the expert I just quoted, because these changes will form part of a convention and a part of the way things are done, they could be viewed by the Supreme Court of Canada as being substantive changes to the Constitution.

Who has the Prime Minister consulted? No one. That is who. Let us briefly look at the consultation process. Did the Prime Minister go to members of his Liberal cabinet? If he did go to those members, what did the Minister of National Revenue say to him? Or did he totally disregard the fact that the Minister of National Revenue is supposedly touted as being the minister representing the viewpoint of the province of British Columbia?

He cannot have it both ways. Either he did not go to the revenue minister and the rest of his cabinet and did this thing on the back of an envelope with chewing gum and baling wire, or he did go to the Minister of National Revenue and chose to disregard the advice of the Minister of National Revenue. I suppose one could even ask if the Minister of National Revenue was awake that day and realized what a major problem we are stumbling into in Canada.

• (1630)

The second question: Did he go to his caucus? He said today in the House that he went to his caucus. I would suggest that he probably went to his caucus well after the fact, well after it was etched in stone, and caucus members were too embarrassed to stand up and be counted, as they should stand up and be counted on behalf of Canadians.

Did he go to provincial officials? Clearly not. We have received copies of letters from the premiers to the Prime Minister. I read part of a letter from the premier of British Columbia: "I am writing in regard to the bill currently before the House of Commons entitled an act respecting constitutional amendments. The Government of British Columbia strongly objects to the fact—", and it goes on and on. Where was the consultation?

We are led to believe by the news media that the Prime Minister, just by happenstance, may be calling some of the premiers to say: "Guess what we are doing today?"

In the Calgary *Herald* today the premier of Alberta is quoted going on about the fact that the Prime Minister was completely out of touch and had not contacted him. In fact, the premiers are still being told, probably by an aide to the Prime Minister, what is going on. Where is the consultation?

That is the crux of it. The blatant disregard which the Prime Minister and his party have for the people of Canada is appalling. He has not gone to the people of Canada at any point and he is talking about substantive changes to their Constitution. It is their Constitution and he ignores them. He does not consult them in any way.

Why would the Liberals vote for this egregious piece of legislation? I suppose it is that they like being parliamentary secretaries or chairmen of standing committees. Maybe they like the privilege of being able to travel around the countryside or on international junkets. I believe this is where the whip comes in.

When the hon. member for Mississauga West was on television a few weeks ago she said: "Look at the number of free votes we have had in the House of Commons". Sure, there have been free votes in the House of Commons for Liberal members, but

every single, solitary one of those free votes was on private members' business. There was no exception. The whip has been on when it came to government business. Any member who voted against the government whip, against the wishes of the Prime Minister, has been banished, chastised and disciplined. It is absolutely and totally contrary to what the red book told Canadians. It said that this government would be different and there would be free votes.

Why vote? It almost leaves me to ask: Why have a House of Commons? Why do we come here, as we have today, realizing that the debate which started at approximately 3.30 this afternoon will be terminated by the Liberals at 5.15 p.m.? The bill will substantively change the Constitution of Canada. I say: Shame on the Liberals. There is no excuse for this kind of pile–driving and ramrodding of legislation.

I suspect that my words have fallen on deaf ears on the Liberal side. They just do not understand. They do not even show up for the debates. I cannot comprehend where their head space might be.

What can I say? When the Reform Party is elected to government in 1997 it will repeal this bunch of legislation, which is so divisive, so discredited, so damaging and, I suggest, so deceitful. The Reform Party will ensure that any future changes to constitutional law will include the provision that the people of Canada will have a say over their Constitution by way of one person, one vote. That is democracy. That is the Reform way.

• (1635)

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I am honoured to participate in the final moments of debate prior to what is, in my opinion, an historic vote.

What a difference almost four weeks makes. It is very easy to speak here today knowing the result of the vote on October 30. I would first like to thank the hundreds and thousands of Canadians who came from all corners of Canada on October 27. In my opinion, this bill is their bill. It responds to the wishes of Canadians as does the distinct society recognition that we voted on earlier this week. It is a response to Canadians who on October 27 demonstrated clearly their love and affection for Canada.

I am appalled that the member for Kootenay East insinuated that the only reason we Liberals are going to vote in favour of the bill is because of junkets, of freebies. It shows a lack of respect for Canadians when he denigrates the bill and the vote to that degree. It also slows a lack of understanding. If the member for Kootenay East would only listen to us and read the red book for a change instead of just referring to it, he would know that the Liberal Party has always respected the right of veto for Quebec and has for over 30 years recognized its distinct character.

The member for Kootenay East and others have criticized the Prime Minister for not having consulted Canadians. On the contrary, the people of Canada spoke on October 27, and when he saw the testimony by all Canadians, the Prime Minister read the people correctly. That was true democracy.

He promised the people of Canada and on their behalf promised Quebec prior to October 30 to recognize Quebec for what it is. If Canadians cannot accept that Quebec has a unique culture, unique language, a unique civil code and other institutions, then we are truly in serious trouble.

Reform Party members are falling into the trap that has been laid for them by the current Leader of the Opposition by saying that they will repeal the legislation. I can say that hindsight is 50:50. Imagine if the result had been different on October 30. I wonder if the members who have spoken on the bill would speak the same way.

The Prime Minister could not consult Canadians. He could not telephone Premier Harris or Premier Harcourt or even Premier Klein. But these same premiers spoke to Quebecers.

I remember the appeal by Mr. Klein to Quebecers saying: "We love you Quebec. Stay in Canada". I remember the appeal by Mr. Harris who said to Quebecers: "Your demands for the revision of the decentralization devolution of responsibilities are our demands. We will work hand in hand with you in Quebec because your aspirations for a renewed federation are our aspirations". The Prime Minister could not take the time to consult the premiers. He had to make a decision. He relied on his experience, on his knowledge and understanding of the country and of the great province of Quebec and made three promises which tonight we will uphold. Those promises were the recognition of the distinct society, the regional veto and decentralization.

• (1640)

If we recognize, as it seems to have been generally accepted across Canada, Quebec's distinctiveness, then we must also recognize that Quebec needs all the tools to protect and promote its language and its culture.

An Albertan, a British Columbian or anyone else living in the rest of Canada is not threatened with the loss of culture or the English language. On the contrary, it is in use worldwide. However, as a co–founding people of this great country it has to be recognized that the French language and the French culture that exists in Quebec must be protected. The only way to protect that is to give the people of Quebec the veto. That veto is of utmost importance.

The current Constitution says that seven provinces representing 50 per cent of the population can amend the Constitution. That means seven provinces could gang up on British Columbia, seven provinces could gang up on Quebec, as happened in 1980, seven provinces could gang up on another province. That is why the veto is so important for Quebec.

[*Translation*]

I do not agree with what the member for Portneuf says about these three promises being far from sufficient and not what Quebecers wanted before the referendum. The veto proposed by our Prime Minister protects Quebec even more; from now on

the Constitution cannot be changed without the consent of the province of Quebec, as was the case in the past.

I totally agree that the cornerstone of a country is its constitution. I also agree with the member for Kootenay East when he says that the Constitution is the property of the people who live in a country. However, the fact that Quebec has gone without signing the Constitution since 1982 has not prevented us Quebecers from developing and flourishing along with other parts of Canada.

I would also like to point out that Great Britain does not even have a constitution.

[*English*]

Think of the great powers and influence Great Britain has had over centuries. The fact that it does not have a Constitution has not prevented that country from developing. Quebec and Canada have evolved together and we can continue to evolve together.

The member for Portneuf said that the veto is a watering down, but that is false. The veto protects Quebec right now. If his leader, the current Leader of the Opposition and future premier of Quebec, would agree to enshrining it in the Constitution we would be the first to embark on that process. However, his own chef de l'opposition has already gone on record saying that he does not want constitutional change. We all know what the Bloc Quebecois want. It will settle for nothing short of a separate Quebec.

I defy the current Leader of the Opposition. When he occupies his new position in Quebec City as the premier of that province he should remember the words he spoke today in the House. He espoused that Canada is one of the most democratic countries in the world. He above all should know that in the position he occupies.

Therefore, when I hear the Bloc Quebecois members speak of democracy and criticize the government for not respecting democracy I find it a bit strange. Their version of democracy is—

[*Translation*]

If the vote is yes, they accept it as a yes. If it is no, they will accept it democratically, but the very night of the no victory, the Leader of the Opposition was threatening us with yet another referendum. A funny way of accepting democracy.

Our Prime Minister has made a commitment on behalf of all Canadians to keep his promises.

• (1645)

[*English*]

A promise made by the Prime Minister is a promise kept. Tonight we will vote on that final step of his three promises. Yes, they must eventually be enshrined through the constitutional process, hopefully as early as April 1997.

The Prime Minister made a promise on behalf of Canadians and I am proud to be able to vote on it today, contrary to the statements of the member for Kootenay East who said that I should be ashamed to vote for this process.

I have sat in the House this week and seen three different members of the Reform Party rise on points of order to indicate that certain members of the House were or were not absent. It shows the level to which Reformers will stoop for political gain.

When it counted, the leader of the Progressive Conservatives, the hon. member of Parliament for Sherbrooke, was there. Madam Speaker, he was in the trenches with you and me in Quebec defending Canada during the delicate moments. I find it despicable that Reform Party members stand day after day to question the participation of the member of Parliament for Sherbrooke.

Where were they on October 27? Where were they during the referendum? Today they have the audacity to stand here and again criticize the government for its initiatives. The Prime Minister responded to initiatives after listening to representations from caucus members and other people on B.C.'s regional veto. It is very important for British Columbia. It is also very important for Ontario to have its veto.

When we talk about the distribution of population we have to respect regional differences in Canada. The member for Kootenay East has the audacity to criticize the way I vote when 50 per cent of his members yesterday voted against recognition of the veto for British Columbia.

It is very easy to criticize. It is very easy to get involved in the debate of always giving into Quebec's demands. However I ask hon. members what it is Quebec has demanded over the past 30 years that it has received.

We have made sacrifices. We have made concessions in the past. I remind members from British Columbia that when British Columbia entered Confederation we made a concession uniquely for British Columbia. We honoured the concession to build a national railway from coast to coast. Otherwise British Columbia would not have entered Confederation.

I remind colleagues from Prince Edward Island that we made a concession for Prince Edward Island. The concession was to recognize that island by granting it four members of Parliament and four senators.

In terms of making a concession to Quebec, Quebecers do not want any more or any less than the rest of the provinces. They want to be recognized for what they are. They want to be given the tools to develop and protect their language and culture. If that means making a concession, it is well worth making it in order to keep our country united and strong.

I will conclude to give another member a chance before we vote at five o'clock by saying it is easy to criticize. It is much harder to be constructive. It is easy, as some members have already stated in the House, to demolish. It is a lot more difficult to build.

It is much easier to criticize, but it takes a lot of the leadership and courage for the Prime Minister to deliver on his commitment to Canadians of October 27.

• (1650)

We could have consulted all the premiers of the provinces but we have seen what consulting the premiers does. The Mike Harrises and the Ralph Kleins of the world who loved Quebecers prior to the referendum will fall into the trap that the future premier of the province of Quebec will set for us. The Reform Party is falling hook, line and sinker into that trap. I appeal to all the premiers of the provinces to work hand in hand with the Prime Minister who has only taken the first very important step.

The Chinese have a saying: the journey of a thousand miles starts with the first step. We have to take the first step. The Prime Minister has shown leadership today. I ask the future premier of the province of Quebec to respect his commitment and the democratic will expressed by all Quebecers, not only the 51 per cent that voted not but also the 15 or 30 per cent of those who voted yes, expecting to remain a province of Canada and work with us to build a better and stronger Canada.

I appeal to the premiers of the provinces to work with the Prime Minister over the next 18 months or whatever time is allotted to respect the will and desire expressed by Canadians on October 27. I appeal to the premiers of all provinces not to let that tremendous show of affection go to waste. That is what will happen if we cannot come together and work hand in hand. Whether Reformers, members of the Bloc Quebecois or NDPers, all of us owe it to Canada to work hand in hand to make sure our country remains united and strong.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I thought the member for Vaudreuil had a lot of nerve when he indicated that somehow Reformers should be castigated because they were not involved enough in the referendum campaign, when he and his colleagues in the House and outside the House told us we should not get involved at all, that we should stay out of the referendum.

It so happens that we got involved as much as the legislation would allow us to become involved. In fact many pollsters indicate that the Reform played a positive role in the outcome of the vote, in determining a no vote.

Then the member and his colleagues have the nerve to say afterward that we should have been more involved. That is not right. It is beneath the dignity of this place to play those types of political games.

I was expecting to ask the member a question. I hope he will be in his seat to respond during this question and comment period. I noticed in Doug Fisher's column in the Ottawa *Sun* today that he commented on the Liberal caucus meeting where the whole issue of peace, order and good government was raised. He said it sent shock waves through the Liberal caucus meeting on December 5.

He mentioned a couple of members' names and of course I cannot do that. Canadians can guess who these members are. He wrote:

> A senior member of the cabinet, so far successful as a minister and neither given to public philosophizing nor a publicity hound—stunned the gathering with the argument that the time had come for the government to unveil Plan B.

Of course the plan has to do with the peace, order and good government proposal. He went on to write that it would be a dose of tough love for the province of Quebec and that a lot of the proposals put forward in the Liberal caucus were similar to the proposals put forward by the leader of the Reform Party in the answers to the 20 questions.

Then he wrote that a jock would call this playing hardball. He continued: "The first doubt about such hardball begins in appraising" the Prime Minister as he seems.

> And that is "bushed". Tired out after 32 years of hustling and partisan hassling. As an example, take one his lines on Monday: "I have a very good cabinet". Tripe!

This pretty accurately reflects what a lot of Canadians are thinking about the Prime Minister's approach on these constitutional issues: ram Bill C–110 through the House as though it is a national emergency, ram the distinct society concept through the House even though it has been rejected in the past by Canadians in a referendum. They have no regard for Canadians, the provinces or the failed concepts of the past.

• (1655)

Given the lack of support for the Prime Minister's proposals and given his suggestion that he would ensure a fairly worded question in a future Quebec referendum through the powers afforded him under peace, order and good government, how will the Prime Minister use the powers under his jurisdiction with regard to peace, order and good government to ensure the next referendum question, should there be one, will be fair and not subject to the criticism of the last question?

Mr. Discepola: Mr. Speaker, in answer to the member I respond to a comment he made before about our invoking closure and this not being a national emergency.

The member does not live in Quebec as I do. He has not lived in Quebec as I have. If ever he visits Quebec, I invite him to come to my riding. If he had lived in Quebec he would understand clearly that there is an urgency.

A commitment was made by the Prime Minister to make the necessary changes. He had to respond, not with a sense of urgency but with clear leadership, and this is what the Prime Minister has done.

If we take a look at what is happening on the island of Montreal, sadly we see a large number of unemployed and one of the highest rates of poverty. Constitutional bickering since 1976 has put our region in a very sad state.

The Prime Minister had to respond by giving leadership to ensure, as he said in Toronto, a certain amount of political stability not only for Canada but, more important, for Quebec.

An awful lot of colleagues from Quebec have horror stories about small businesses by the twenties or thirties or even larger corporations establishing plants, not as they did in 1976 in other areas of Canada such as Toronto but unfortunately in places like Plattsburg and Florida. I recently spoke to a VP of Northern Telecom who is now opening up a plant in Southeast Asia because of the uncertainty. The Prime Minister had to react.

On the question of veto, we are lending our veto. In all constitutional amendments the federal government has a right of veto on all aspects, whether there are three or four amending formulas. All we have done is simply lend our veto to each of the five regions. Therefore we were able to bypass the delicate process of constitutional reform doomed to failure in the past.

I hope Reformers put aside their partisan politics. After the new year when, after you have had time to celebrate with your families in peace and love, as Canadians always do, I hope you will come back in February and work hand in hand with the government and the premiers to achieve the unity we deserve.

The Speaker: I remind hon. members to address the Chair rather than one another.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I believe we have only five minutes left in the debate this afternoon, and I will try to be brief. It may be the last time we have a chance to speak this year. I listened carefully to the hon. member for Vaudreuil, who raised quite a few points. He is also aware of the position of the Bloc Quebecois on the veto.

I may recall that from what I read and what I heard from the Minister of Justice, this is not a constitutional veto but a veto for the guidance of the Parliament of Canada. That is why Quebecers realized this was not what they wanted. I may also recall that what we say in this House reflects the views of the Quebec people.

I may remind the hon. member—

Mr. Discepola: So we are not Quebecers?

Mr. Bernier (Gaspé): No, but I would like to remind the hon. member that if he still reads Quebec newspapers, he will realize that hardly 24 per cent of the population of Quebec believes that the Prime Minister's proposals are a response to their expectations.

So if we are talking about barely 24 per cent, I think we still have the right to rise in the House to say: "Listen, this is an empty shell". And we must not forget the 94 per cent of Quebecers who voted in the last referendum. I will conclude with this. This means that in Quebec, 9.4 out of 10 people understood the question. And I do not understand why the Quebecer from Saint–Maurice did not.

The Speaker: Thirty seconds for a short reply.

Mr. Discepola: Thirty seconds. Very well, Mr. Speaker.

We are prepared to entrench the veto in the Constitution, but his own leader is preventing us. It is his fault.

If he ever changes his mind, which he has done several times before, we would be willing to discuss entrenching the veto in the Constitution. However, with the means at our disposal, we decided to recognize their veto in this House and in the decisions made by the various departments. We lend our veto, as a government, to the various regions, including the province of Quebec.

However, if your leader decides to change his mind, come and see us.

An hon. member: A nice little trinket for Christmas.

The Speaker: No, dear colleagues, but I have good news.

[*English*]

Yesterday afternoon we welcomed to the Table of the House of Commons a new table officer. It does not occur often in Parliament that we have new table officers but we have a new one today, Carol Chafe.

Carol, in the name of my colleagues I welcome you.

Some hon. members: Hear, hear.

[*Translation*]

An hon. member: A Christmas present.

The Speaker: Yes, a Christmas present for the House.

[*English*]

Pursuant to an order made Tuesday, December 12, 1995, in accordance with the provisions of Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the 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. 400*)

YEAS

Members

Adams
Allmand
Arseneault
Augustine
Barnes
Bélair
Bellemare
Bertrand
Bonin
Brown (Oakville—Milton)
Bryden
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Dhaliwal
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
Maclaren
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Minna
Murphy
Nunziata
O'Reilly
Pagtakhan
Parrish
Payne
Peters
Alcock
Anderson
Assadourian
Bakopanos
Beaumier
Bélanger
Bernier (Beauce)
Bodnar
Boudria
Brushett
Calder
Cauchon
Chan
Clancy
Collenette
Comuzzi
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kilger (Stormont—Dundas)
Knutson
Lastewka
Lee
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Nault
O'Brien
Ouellet
Paradis
Patry
Peric
Peterson
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Steckle
Stewart (Northumberland)
Terrana
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Serré
Sheridan
Speller
Stewart (Brant)
Telegdi
Thalheimer
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed —150

NAYS

Members

Abbott
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélisle
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Breitkreuz (Yorkton—Melville)
Brien
Caron
Chrétien (Frontenac)
Cummins
Daviault
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
McLaughlin
Mercier
Morrison
Penson
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
Williams —101
Abloneczy
Asselin
Bachand
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast/Sud-Est)
Chatters
Crête
Dalphond-Guiral
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gauthier
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Ménard
Meredith
Nunez
Picard (Drummond)
Ringma
Rocheleau
Schmidt
Silye
Speaker
Stinson
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Bellehumeur	Canuel
Culbert	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Paré	Pomerleau
St. Denis	Szabo

• (1730)

(Motion agreed to, bill read the third time and passed.)

Mr. Stinson: Mr. Speaker, I rise on a point of order. On a vote as important as this I wonder if I could beg the Speaker to give a few minutes for the Tory leader—

The Speaker: That is not a point of order.

Mrs. Finestone: Mr. Speaker, on a point of order, unfortunately a truck got in my way and so I was delayed. If I had been here I would have voted with my party.

Mr. Bevilacqua: Mr. Speaker, unfortunately I was detained. As always I will be voting on behalf of the—

[*Translation*]

Mr. Plamondon: Mr. Speaker, if the Standing Orders so permit, I have just arrived and I would like to be included in the vote, as I am entitled to be.

[*English*]

The Speaker: Pursuant to an order made Tuesday, December 12, 1995, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C-108, an act to amend the National Housing Act.

* * *

NATIONAL HOUSING ACT

The House resumed from December 12 consideration of the motion that Bill C-108, an act to amend the National Housing Act, be read the third time and passed.

Mr. Boudria: Mr. Speaker, in the spirit of the festive season I take this opportunity to salute my colleagues, the whips across the way, and thank them for their co-operation.

I ask the House if there would be unanimous consent that the members who voted on the motion previously before the House, plus the hon. Secretary of State for the Status of Women and the Parliamentary Secretary to the Minister of Human Resources, be recorded as having voted on the motion now before the House, with the Liberal side voting yea. I am sure the whips of the other parties will add, if needed, members of their parties with their ranks.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the members of the Bloc Quebecois will vote in favour of this motion.

[*English*]

Mr. Ringma: Mr. Speaker, Reform members will be voting nay on this motion, except for those who might wish to vote otherwise.

Mr. Taylor: Mr. Speaker, New Democrats in the House vote yea on this motion.

• (1735)

[*Translation*]

Mr. Bernier (Beauce): Mr. Speaker, I am voting in support of this motion.

[*English*]

(The House divided on the motion, which was agreed to on the following division.)

(*Division No. 401*)

YEAS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Arseneault
Assadourian	Asselin
Augustine	Axworthy (Saskatoon—Clark's Crossing)
Bachand	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bélisle	Bellemare
Bergeron	Bernier (Beauce)
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bertrand	Bevilacqua
Blaikie	Bodnar
Bonin	Bouchard
Boudria	Brien
Brown (Oakville—Milton)	Brushett
Bryden	Calder
Caron	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Frontenac)
Chrétien (Saint-Maurice)	Clancy
Cohen	Collenette
Collins	Comuzzi
Cowling	Crête
Dalphond-Guiral	Daviault
de Jong	de Savoye
Debien	Deshaies
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Dubé
Duceppe	Duhamel
Dumas	Dupuy
Easter	Eggleton
English	Fewchuk
Fillion	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gallaway	Gauthier
Gerrard	Godfrey
Godin	Goodale
Graham	Gray (Windsor West/Ouest)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Jackson
Jacob	Jordan
Keyes	Kilger (Stormont—Dundas)
Kirkby	Knutson
Kraft Sloan	Lalonde
Landry	Lastewka
Laurin	Lavigne (Beauharnois—Salaberry)
Lavigne (Verdun—Saint-Paul)	Lebel
Leblanc (Longueuil)	Lee

Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
Loney	Loubier
Maclaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKinnon	McLaughlin
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Ménard
Mercier	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Nault
Nunez	Nunziata
O'Brien	O'Reilly
Ouellet	Pagtakhan
Paradis	Parrish
Patry	Payne
Peric	Peters
Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Plamondon
Proud	Reed
Regan	Richardson
Rideout	Ringuette-Maltais
Robichaud	Robillard
Robinson	Rocheleau
Rock	Sauvageau
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Sheridan
Simmons	Speller
St-Laurent	Steckle
Stewart (Brant)	Stewart (Northumberland)
Taylor	Telegdi
Terrana	Thalheimer
Tobin	Torsney
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Ur	Valeri
Vanclief	Venne
Verran	Volpe
Walker	Wappel
Wells	Whelan
Wood	Young
Zed—207	

NAYS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	Duncan
Epp	Forseth
Gilmour	Gouk
Grey (Beaver River)	Grubel
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jennings	Johnston
Kerpan	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest/Sud-Ouest)	Meredith
Morrison	Penson
Ramsay	Ringma
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	Stinson
Thompson	White (Fraser Valley West/Ouest)
Williams—47	

PAIRED MEMBERS

Bellehumeur	Canuel
Culbert	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Paré	Pomerleau
St. Denis	Szabo

(Motion agreed to, bill read the third time and passed.)

The Speaker: Pursuant to an order made Tuesday, December 12, 1995, the House will now proceed to the taking of the deferred division on the motion of the hon. member for Cariboo—Chilcotin at second reading stage of Bill C-315.

PRIVATE MEMBERS' BUSINESS

[*English*]

PROTECTION OF PERSONAL INFORMATION OBTAINED BY CERTAIN CORPORATIONS ACT

The House resumed from December 12, consideration of the motion that Bill C-315, an act to complement the present laws of Canada that protect the privacy of individuals with respect to personal information about themselves obtained by certain corporations, be read the second time and referred to a committee.

The Speaker: As is the practice, the division will be taken row by row, starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the motion sitting on the other side of the House will be called.

[*Translation*]

Those opposed to the motion will be called in the same order.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 402*)

YEAS

Members

Abbott	Ablonczy
Adams	Allmand
Althouse	Arseneault
Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bachand	Bélisle
Benoit	Bergeron
Bernier (Beauce)	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Bouchard	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Brown (Calgary Southeast/Sud-Est)
Caron	Chatters
Chrétien (Frontenac)	Crête
Cummins	Dalphond-Guiral
Daviault	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gauthier	Gilmour
Godin	Gouk

Grey (Beaver River)
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
McLaughlin
McWhinney
Mercier
Morrison
Nunziata
Picard (Drummond)
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Taylor
Terrana
Tremblay (Rimouski—Témiscouata)
Venne
Williams —111

Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
McTeague
Ménard
Meredith
Nunez
Penson
Plamondon
Ringma
Rocheleau
Schmidt
Silye
Speaker
Stinson
Telegdi
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

NAYS

Members

Alcock
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bodnar
Boudria
Brushett
Calder
Cauchon
Chan
Cohen
Collins
Cowling
Dhaliwal
Dromisky
Dupuy
Eggleton
Finestone
Flis
Gaffney
Gerrard
Goodale
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Lastewka
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
Minna
Murphy
O'Brien

Anderson
Augustine
Barnes
Bélair
Bellemare
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Catterall
Chamberlain
Clancy
Collenette
Comuzzi
DeVillers
Discepola
Duhamel
Easter
Fewchuk
Finlay
Fry
Gallaway
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Kilger (Stormont—Dundas)
Kraft Sloan
Lee
Maclaren
Malhi
Manley
Marleau
Massé
McGuire
Milliken
Mitchell
Nault
O'Reilly

Ouellet
Paradis
Patry
Peters
Phinney
Pillitteri
Reed
Rideout
Robichaud
Rock
Serré
Sheridan
Steckle
Thalheimer
Ur
Vanclief
Volpe
Wappel
Whelan

Pagtakhan
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Richardson
Ringuette-Maltais
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Northumberland)
Tobin
Valeri
Verran
Walker
Wells
Young—122

PAIRED MEMBERS

Bellehumeur
Culbert
Paré
St. Denis

Canuel
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Pomerleau
Szabo

● (1745)

[*English*]

The Speaker: I declare the motion lost.

* * *

DANGEROUS OFFENDERS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.) moved:

That, in the opinion of this House, the government should amend Part XXIV of the Criminal Code—Dangerous Offenders—to provide:

1. that where an offender is convicted of

(*a*) a sexual offence involving a child, or

(*b*) an offence set out in

(i) section 271 (sexual assault) that has been proceeded with by way of indictment,

(ii) section 272 (sexual assault with a weapon, threats to a third party or causing bodily harm), or

(iii) section 273 (aggravated sexual assault),

or an attempt to commit any of these offences, the offender shall, before being sentenced, be examined by two psychiatrists to determine

(*c*) in the case of sexual offence involving a child, whether the offender is likely to commit or attempt to commit such an offence in the future, and

(*d*) in the case of an offence referred to in section 271 that has been proceeded with by way of indictment, or section 272 or 273, whether the offender is likely to cause or attempt to cause death, injury or serious psychological harm to another person through a failure in the future to control his or her sexual impulses; and

2. that where the psychiatrists conclude

(*a*) in the case of a sexual offence involving a child, that the offender is likely to commit or attempt to commit such an offence in the future, or

(*b*) in the case of an offence mentioned in section 271 that has been proceeded with by way of indictment, or section 272 or 273, that the offender is likely to cause or attempt to cause death, injury or serious psychological harm to another person through a failure in the future to control his or her sexual impulses,

the Attorney General of the province in which the offender was tried shall direct that an application be brought to have the offender declared a dangerous offender.

She said: Mr. Speaker, I would like to split my time with my colleague from Calgary Southeast.

The Deputy Speaker: That would require unanimous consent. Is there unanimous consent?

Some hon. members: Agreed.

Ms. Meredith: Mr. Speaker, it is my pleasure to have the opportunity to begin debate on Motion No. 461. I believe it is especially appropriate to speak to this motion today.

Earlier this afternoon I introduced to the House a petition that had been collected by the Melanie Carpenter Society. The petition had over half a million signatures, to be exact, 506,285 names. The petitioners ask Parliament to enact legislation that would keep dangerous offenders, especially dangerous sex offenders, off the streets of our country. The first of the nine items on the petition states: That dangerous offenders and pedophiles should be locked up for life.

• (1750)

As fate would have it, that is what we are debating today. The motion that I introduced jointly seconded by my colleague from Calgary Southeast, is targeted against sexual predators. It is an effort to get these offenders off the streets after their first conviction, not the second or third conviction which is often the case now.

The motion asks that once an individual has been convicted of aggravated sexual assault, sexual assault with a weapon or sexual assault that has been proceeded with by way of indictment or any sexual offence where the victim is a child, the convicted offender must be examined by two psychiatrists.

If the two psychiatrists conclude that the offender is likely to commit a similar crime in the future, the attorney general shall direct that a dangerous offender application be initiated. The convicted offender would then have a dangerous offender hearing where the crown would have to prove beyond a reasonable doubt that the offender was likely to reoffend.

This motion carefully balances the rights of the offender and the protection of society. The motion only applies to convicted offenders. Two psychiatrists have to conclude that the offender is likely to reoffend. Then the crown has to prove beyond a reasonable doubt before a court that the offender is likely to reoffend.

Society is protected by having early identification of dangerous sex offenders. Some may ask if this is possible. Not only is it possible but science is moving quickly in this regard.

While I was conducting research on my private member's bill, Bill C–240, I came across the work of Professor Robert Hare of the University of British Columbia. Professor Hare teaches in the psychology department and is the leading authority in the subject of psychopathy. Professor Hare and his colleagues have developed tests to identify psychopaths for Correctional Service Canada as well as the prison systems in Washington and California states.

It is generally accepted that these tests have an 85 per cent accuracy in identifying psychopaths. Some may argue that not all psychopaths are sex offenders and that is true. With this motion we would only be concerned with those psychopaths who were convicted of a serious sexual assault or pedophilia.

If two psychiatrists conclude that someone who has just been convicted of one of these offences is a psychopath, then if our society values its protection he must be found to be a dangerous offender.

In this instance we are talking about people like Clifford Olson, Paul Bernardo and Fernand Auger. I would like to use Auger as an example. We all know Auger as the man who kidnapped Melanie Carpenter from her place of work in Surrey, B.C., drove her out to the Fraser canyon where he sexually assaulted and murdered her. Auger was on parole at the time of this crime not for a sexual offence, but for robbery.

However 10 years earlier Auger was convicted of sexual assault or more precisely, two instances where he committed extremely violent sexual assaults. One instance involved a 17–year–old prostitute, the other involved a 14–year–old prostitute. In both cases Auger picked up these girls, drove to a secluded location, put a gun to their heads, threatened to kill them and then raped and sodomized them.

Arrested and convicted for both crimes, Auger received the remarkably lenient sentence of two years less a day and served his time in Ontario's provincial system. Why such a light sentence? As a Correctional Service Canada spokesman stated to a CBC reporter last March, Auger's crimes were not viewed as being violent because the victims were prostitutes and this implied a level of consent.

However, after a subsequent conviction for robbery Auger ended up receiving a sentence in a federal institution. He submitted himself to a psychological review as part of a parole application. It was at this time that the true nature of Auger's personality came to light. Auger's psychological assessment reads as follows: "Appears to employ defence mechanisms, such as minimization, rationalization and displacement to justify his criminal activity. He has a fairly advanced anti–social personality disorder".

• (1755)

In August 1994 the National Parole Board denied Auger parole, stating he was a high risk to reoffend. Unfortunately, because of the way the Corrections and Conditional Release Act is written, Auger was required to be released a few months later and because of this Melanie Carpenter is no longer with us.

I am confident that had Auger been examined by two psychiatrists for his assaults on the two teenage prostitutes in Toronto, his anti–social personality would have been uncovered at that time. Had he been found to be a dangerous offender, he would have received an indefinite sentence.

Contrary to what some may think, an indefinite sentence does not mean to lock them up and throw away the key. What it does mean, however, is that the offender is kept in custody until the parole board is convinced that the offender does not pose a serious risk to society.

It is mainly up to the offender to determine how long the sentence will be. If the required treatment is taken and shows real progress, it need not be a long incarceration. Parole eligibility is after three years and then every two years thereafter.

The greatest value of the indefinite sentence is twofold. First, for those offenders who show no inclination of rehabilitation, there is no pressure on the correctional system to get them ready for release, whether they are prepared or not.

Second, for those who are released, the justice system can closely monitor their activities in the community. If this had happened in Auger's case, maybe two people would still be alive, Melanie Carpenter and Fernand Auger.

I believe this motion is sound. It satisfies not only the Reform Party's objectives for public safety, but the red book objectives of the Liberals to protect women and children.

Similarly, the justice critic for the Bloc Quebecois has frequently expressed her concern for the safety of women and children. I only hope that she is equally concerned about protecting them from sexual assault, sexual predators, as she is from protecting them from firearms.

This motion targets only a small percentage of the Canadian population, sexual predators. I fully agree with the over half a million individuals who signed the Melanie Carpenter Society petition, who believe that dangerous sex offenders and pedophiles belong behind bars, not on our streets.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I am very pleased to speak today in support of the motion of my colleague from Surrey—White Rock—South Langley. It is unfortunate, in fact an abysmal comment on Canadian society, that we require this kind of legislation. However, I am heartened by it and am honoured to second the motion.

Under current law, a sex offender cannot be detained beyond a jail sentence. We may ensure their stay beyond their statutory release date only if a psychiatrist signs a certificate saying that the inmate suffers from a mental disorder that would likely result in serious injury to others.

The motion before us today provides the point of difference that Reform brings to the debate. Rather than attempt analysis at the end of a sentence, an offender should be subject to analysis by a psychiatrist before sentencing and then, if need be, deemed a dangerous offender. This supports reasoned argument to keep incarcerated those who pose a threat to society.

This is exactly the kind of legislation that this country needs. This issue should be non–partisan. I believe all of us in this House want to safeguard the rights of victims and, in this instance, the rights of victims of sex offences.

Let us not forget that the law of the land should not only safeguard those who already have been victimized, but the law should also endeavour to protect us from further victimization by those who demonstrate a dangerous propensity to commit sex offences.

Currently, we sit in the House listening to a great deal, possibly too much debate on national unity, when under our noses other important problems need to be addressed. We can do something positive here. Instead of splitting apart, instead of limiting debate on issues of importance, we can join together today on an issue that concerns us all. I urge all my colleagues in the House to support this important motion.

The motion we are debating today specifically addresses the issue of protecting society from sexual predators, people who are driven to inflict harm on women and children in our society. Sexual predators are people like Clifford Olson, like Paul Bernardo. They prey on the weak and vulnerable and they enjoy it. They have been psychologically profiled as deviants who repeat their crimes and even enjoy them. These are the people who will be affected by this motion.

• (1800)

By passing this motion we will be saying that yes, we believe that we have a moral obligation as parliamentarians to protect society from those who seek to prey on its weak and vulnerable; yes, we believe that for the safety of society certain offenders should be required to undergo psychological evaluation and under certain circumstances should be deemed to be dangerous offenders. This allows us the freedom and opportunity to keep those individuals in prison, those who pose an unacceptable threat to society.

In this instance, to some extent we are talking about locking the door and throwing away the key. That statement unto itself may sound unduly harsh; however, when it is rephrased it may become more palatable and perhaps better understood. Does anyone here believe that someone like Clifford Olson or Paul Bernardo should ever be allowed to walk the streets again? I do not think so. It would take a tremendous amount of convincing to dissuade me of this opinion.

The criminal must have served many years in prison. Treatment must have been completed and demonstrated to have had a positive effect. Remorse must be clearly demonstrated. Compensation of some kind would have to have been made to the victims of the crime by the criminal. Then and only then would I even entertain the notion of allowing the individual the opportunity to undergo further psychological assessment to determine the possibility of recidivism. This is not an issue of being harsh; this is a basic human issue about protecting the most vulnerable.

Protection of society will not be accomplished solely by the provision in the motion under debate today, but it does go a long way. Clearly, the preference would be to treat sexual offenders and to cure them of their illness. However, when this effort has failed we have a moral obligation to protect society. What we are debating today is whether the House sees this moral obligation; whether the House feels this moral obligation so strongly that it will make the moral obligation a legal obligation.

Some may ask why we need this legislation. Allow me through the use of an anecdote to demonstrate why this kind of legislation is necessary. There are times when my colleagues opposite are critical when we cite real life stories. However, unfortunately, they abound. They do represent a body of anecdotal evidence which cannot be ignored. If we can introduce legislation at little or no cost which will inconvenience few in society and by doing so save lives or prevent the commission of crimes, then we must commit to that effort. On that note, allow me to share with the House a sad story.

On November 18, 1984 Wray Budreo became a free man and every parent's nightmare. For days his face had been plastered on newspapers throughout southern Ontario. Budreo had a 32–year history of child molesting, including 22 convictions for sex offences. However, because he had served his full six–year term, there would be no parole or probation, no restrictions on his movements, no conditions for mandatory treatment. He was bundled into the trunk of a police car and spirited past the protesters who awaited him outside Kingston Penitentiary. I do not know if this man has reoffended. I pray that he has not. What concerns me greatly is that a known sex offender who was expected to reoffend was released from one of our jails.

I hear a familiar refrain all too often from people who doubt their own ability to shield their children from sexual abuse, especially without being overly paranoid or obsessive. We must first know some of the facts.

Not every child is equally at risk. Offenders target especially vulnerable children: lonely kids, those with disabilities or who have difficulty communicating, youngsters with absent dads who may be looking for a father figure, and those whose behavioural problems make it unlikely they will ever be believed if they do speak up.

Of course, the biggest risk factor is contact with a potential abuser. Here the facts contrast with the headlines. The dangerous stranger is the exception rather than the rule. A 1992 Statistics Canada survey found that in cases of child sexual assault, 48 per cent of the abusers were a parent or family member. Another 43 per cent astoundingly were friends or acquaintances. Only 5 per cent were strangers.

• (1805)

Whoever the offender, the offence is clear. It is always illegal for an adult to engage in sexual contact with a child under the age of 14. It is also illegal for an adult who is in a position of trust or autonomy to engage in sexual contact with a young person under the age of 18. The law recognizes what adults know. Children can be manipulated especially by the people they trust. Whether they say yes does not matter because the adult is the one who must say no.

There are no national statistics on the number of children molested every year but whatever the figure, it is too high. It can only be reduced one child at a time. That means we must make an effort to deal with potential abusers by ensuring that dangerous, repeat sexual offenders remain in a place where they cannot threaten our children or society as a whole.

Even the term "potential abusers" is quite misleading in this context because we are referring to people who have already been convicted of a criminal offence but who we strongly suspect will have the potential to reoffend. Suggesting that dangerous offenders of this kind are only potential abusers gives them too much credit.

An important component of this debate revolves around the issue of our ability to rehabilitate the convicted sex offender. One of the reasons for this legislation is the widespread disagreement about the success or even the possibility of rehabilitating a sexual offender.

Two centuries after the birth of modern psychiatry there are numerous treatments for sex offenders but as yet no consensus on the results of such treatments. A forensic psychologist at the Oak Ridge Facility for the Criminally Insane in Penetanguishene, Ontario states: "We do not seem to be having much of an impact on sex offenders".

What are the costs to society? An argument is made that the annual cost to supervise an offender while on parole is only $9,400 whereas the cost of incarceration for a year is reported to be close to $70,000. Simply put, I believe there are times when social protection is worth the price. This may just be an instance where we have to swallow the costs. If it means saving 22 people from being victimized by a man like Wray Budreo then $70,000 a year is worth it.

Canada spends about $11 million per year on dozens of programs for sex offenders. About 5,000 of the 23,000 convicts in the federal corrections system have sex crimes on their record. The government proudly points to the statistics that only 6 per cent of sex offenders repeat their crimes within three years of their release. However, researchers who study sex offenders say that the recidivism rate jumps to about 50 per cent when the criminals are tracked over a decade. It is always the part that is left out that is the most startling.

There is little evidence, or at least there is lots of contradictory evidence, that therapy reduces recidivism. I am concerned by this contradiction. Until we are more certain of treatments that will reduce recidivism, I am uncomfortable in allowing potential predators back on the streets.

Belatedly, it is important that those who commit sexual offences be categorized as to whether or not they are psychopaths. Experts agree that the recidivism rate for psychopaths is triple that of non–psychopaths.

In conclusion, let me reaffirm my very strong support for this motion. I believe that if we could encourage the justice minister and the government to pass this motion, we would go a giant step toward making our country a safer one in which to live.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would like to thank the two hon. members who contributed to this debate.

The hon. member for Surrey—White Rock—South Langley has introduced a motion at the same time as her private member's bill is before the Standing Committee on Justice and Legal Affairs for further consideration. Admittedly, Bill C–240 pursues a somewhat different angle on the subject. I want to commend her for her dogged determination to change the dangerous offender legislation. It is obviously a subject with which she feels very deeply. She has done a lot of work in making her presentation both on the present motion and in respect of the private member's bill.

Does the dangerous offender procedure need improvement? Quite possibly it could be improved. I will start by addressing one proposed change with which I disagree, a proposal that is central to this motion.

• (1810)

The motion provides that every time two psychiatrists determine that in effect an offender poses a high risk of reoffending, the attorney general of the province in which the offender was convicted shall direct that the dangerous offender application be brought. I do not believe it is appropriate to eliminate the discretion of prosecutors in bringing dangerous offender applications.

The criteria for a dangerous offender finding are contained within the Criminal Code. That is a concept created by criminal law and supported by criminal procedure. It is certainly true these criteria rely heavily on psychiatric prediction of risk, but medical standards are not the only ones that have to be met.

Section 753 of the Criminal Code requires that the likelihood of an offender causing further harm must be established to the satisfaction of the court. This is not entirely or even primarily a matter of medical or statistical prediction. Indeed it is a legal decision made according to criteria legislated by Parliament. The crown should possess the discretion considering all the evidence available to it to estimate whether an application will be strong enough to meet this legal standard. I will return to the subject of the role of prosecutors in this process.

I would like to review the history of part XXIV of the Criminal Code in order to understand why the law is structured the way it is. I am not saying that part XXIV should never be changed, but the evolution of the dangerous offender concept and the restrictions the charter of rights imposes on that concept indicate that we should proceed cautiously in broadening it or oversimplifying it.

The dangerous offender provisions have their origins in the habitual criminal provisions added to the Criminal Code by Parliament in 1947. A person found to be such a habitual criminal could be sentenced to preventive detention for life. The state had to prove the offender on three separate occasions had been convicted of an indictable offence for which he was liable to imprisonment for five years or more and was persistently leading a criminal life.

If this sounds vague and ripe for abuse, it was. In 1969 a report by the Canadian Committee on Corrections, the Ouimet committee, found that a substantial number of these habitual offenders constituted a social nuisance but were not really dangerous. In 1948 Canada tried out the concept of a criminal sexual psychopath law. In 1958 it was thrown in with the habitual offender provisions under the name of dangerous sexual offender. Once again the Ouimet committee found in 1969 that the dangerous sexual offender legislation was capturing many non–dangerous sexual offenders and was missing the dangerous ones.

These provisions were repealed in 1977 and replaced with the dangerous offender provisions we see now in the Criminal Code. These amendments were designed to be more precise, to target the most dangerous serious offenders and similarly to avoid widening the net too much. In essence Parliament was saying: "Let us target the worst offenders without sweeping in the low risk or nuisance cases".

The dangerous offender legislation contained in part XXI, now part XXIV, passed a major hurdle in the Supreme Court of Canada's decision of R. v. Lyons in 1987. The court ruled that the dangerous offender provisions did not violate the protections in the charter of rights and freedoms.

• (1815)

I mention this case not so much for its support of the current law as for the firm indication by the Supreme Court that any law that seeks to sentence one of its citizens to an indefinite term in a penitentiary must be well tailored and confined to the most serious circumstances.

I offer one example from the judgment upholding the dangerous offender legislation:

> The legislation narrowly defines a class of offenders with respect to whom it may properly be invoked, and prescribes quite specifically the conditions under which an offender may be designated dangerous. The criteria in Part XXI are anything but arbitrary in relation to the objective sought to be attained; they are clearly designed to segregate a small group of highly dangerous criminals posing threats to the physical or mental well-being of their victims.

The existing dangerous offender system contains three components: a focus on the most serious offences, a focus on the pattern of the offender's conduct, and an assessment of the likelihood of the offender's continuing his serious offending. These criteria have to be met if they are to justify locking up individuals indefinitely.

In broadening the target group so much, the motion before us runs a serious risk of conflicting with the decision of R. v. Lyons. It would broaden Part XXIV to capture any sex offence against a child. This would include cases of sexual interference under section 151 and an invitation to sexual touching under section 152 of the Criminal Code. While these crimes carry a maximum penalty of 10 years imprisonment, individual offences usually do not receive such lengthy sentences, nor do they typically involve the degree of violence envisioned by Part XXIV.

I doubt the Supreme Court would tolerate this net widening, particularly when, given the new rules prescribed elsewhere in this motion, crown attorneys would be forced to launch so many more applications. The court, as in the Lyons case, is vigilant to the potential for abuse in the overall structure of the procedure.

Returning to the issue of prosecutorial discretion, the Supreme Court in the Lyons case also stated it was important for the crown to have some discretion in bringing dangerous offender applications and that the absence of any such discretion could lead to a conclusion that the law was arbitrary.

I have raised several objections to the concept in this draft. In the interest of perspective, I point out how successful Part XXIV of the Criminal Code has proven. Between 1977 and 1995 approximately 143 offenders were found to be dangerous offenders and sentenced indeterminately to Canadian penitentiaries. Of that number, 134 remain incarcerated.

There are signs now that the provinces are using the procedure more often. Successful applications usually average eight or nine a year. In 1993 there were 15 successful cases; in 1994 there were 13, and we will all remember the recent designation of Paul Bernardo as a dangerous offender.

We can improve the dangerous offender legislation but not with the elements in this motion. I look forward to the review of the hon. member's private member's bill the standing committee, to which this motion is quite similar.

I would like to deal with this private members' bill and I am hopeful this motion will not be successful to allow us the opportunity to deal with these things one at a time.

• (1820)

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I simply want to express my support for the private members' bill from the member for Surrey—White Rock—South Langley. It is timely, the right bill at the right place at the right time. I cannot imagine that anyone would not accept that.

Mr. Milliken: It is not a bill, it is a motion.

Mr. Hill (Macleod): A heckler across the way.

In my life I dealt with sexual predators. This motion is exactly what we need and I express my support for it.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I speak to the motion as someone who is not a lawyer, someone not involved in police work and never has been. Perhaps I can offer a slightly different viewpoint and hopefully a constructive one.

The member for Surrey—White Rock—South Langley tended to mix together two types of offenders, the sex offender, a padophile and so on, and the psychopath. These are two very different types of people with different problems.

In the cases of the sex offender and the psychopath it is acknowledged that both know right from wrong. However, some sex offenders, no matter how horrendous their crimes, feel remorse. They may be driven by a form of compulsion. The difference between that type of person and a psychopath is there is no remorse. Sometimes there is no compulsion either.

I cannot accept that a Paul Bernardo necessarily will offend again. I cannot accept that he is necessarily driven by compulsion. There are instances of people driven by compulsion who know remorse and are a danger in the sense that they will repeat the crime. However, it may not be a crime as horrendous as we saw in the Bernardo case.

The motion is deficient and does not serve as an adequate deterrent factor. We run the risk by giving so much power to psychiatrists of incarcerating some sex offenders indefinitely. However, we still will not stop the Paul Bernardos of this world. These people commit those crimes because they lack any basic human compassion. Whatever the crime, it may be for fun, not compulsion.

Passing a law which increases the probability of putting people away indefinitely is not the way to deal with the Paul Bernardos of the world.

My Reform colleagues may be surprised when I suggest that in the case of the genuine psychopath, the serial killer and the person who stalks and kills children deliberately for games, for fun, the only deterrent is a capital punishment deterrent.

These are the people who must be defined very carefully. I do not want to see capital punishment come galloping back into the House as an issue. However, This type of legislation does not get at the type of person I believe the member for Surrey—White Rock—South Langley is really after.

• (1825)

The genuine serial killer, the person who does it for fun, is not worried about going to jail indefinitely. This will not stop the person at all, whereas capital punishment very narrowly defined for this type of person would fit the bill perfectly.

When we look at it that way we have to question whether to bring in legislation that addresses the type of sex offender who does know remorse but can reoffend. As we heard from the Parliamentary Secretary to the Minister of Justice, the current legislation does not address that type of person. He is required to be judged by the courts about whether he reoffends.

It is very dangerous when one starts to look at people who have a genuine sense of wrongdoing, a genuine sense of remorse. We run the risk of giving them no hope whatsoever of coming back to society. The motion goes too far in one way and not far enough in the other.

If it were possible to define capital punishment that narrowly, as in the Paul Bernardos of the world, I do not think the member's motion would be sufficiently constructive at this time.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this motion is typical of the Reform Party and the nonsense we have had to put up with from this group and its obsession with law and order issues. It is obsessed with the notion that if we lock people up we will solve the crime problem of the country; lock them all up and we will not have any crime.

Unfortunately we have lots of experience in world affairs in the last 300 or 400 years, and probably a good deal longer, indicating that policy does not work.

The Reform Party, however, sticks its head in the sand, goes back to the middle ages and takes the view that if we lock people up, whip them, chain them and beat them to death, somehow we will solve the crime problem.

Crime has been a problem throughout human experience. It is not something that just happened in 1995. It is not something that just happened in 1993 or whenever it was the Reform Party formed itself. It has been a problem with human existence since Cain and Abel.

Hon. members opposite might have forgotten the story of Cain and Abel, but I will not recite it for them tonight. There was a murder then. There was no death penalty. I do not recall that Cain got the death penalty. He got punished but he did not get the death penalty.

Hon. members opposite rant and rave about locking people up and throwing away the key. The hon. member for Wild Rose stood up this morning to introduce a private member's bill that would take away the right of parole, the right of statutory release and all kinds of things that are what we call carrots to try to get people to improve their behaviour while in prison. He wants to take that away, lock them up for the maximum time we can lock them up and hope that when we spring them on society after 12 or 25 years in prison somehow they will be reformed and that society will not suffer.

Some of us happen to know better than the hon. member for Wild Rose. If he would listen to some reason once in a while instead of spouting the constant nonsense he does from his seat he might learn something from the experience others have had with the criminal system.

Mr. Thompson: Not from the likes of you.

Mr. Milliken: He says he will not learn it from me. All right. Never mind taking it from me. Take it from the experts, the people who work in the system. If the hon. member would listen to them he would not be spouting the nonsense he is spouting now and that he was spouting earlier.

He has obviously convinced the very gullible member for Surrey—White Rock—South Langley who has swallowed his line, hook, line and sinker. The poor soul has been totally distracted by the hon. member for Wild Rose and his silly nonsense on locking people up and throwing away the key. That is all we ever get from the Reform Party. We had it earlier today. Now we have got it in this motion.

• (1830)

Let me turn to the motion before the House. What we have now is a system where under the Criminal Code if a person has committed a particularly serious offence and is known to be a dangerous offender or there is some risk that the person may be a dangerous offender, we give a discretion to the attorney general of the province in which the prosecution is taking place to bring an application to have the offender declared a dangerous offender.

That discretion is given to the attorney general of each province who is an elected official, a member of the cabinet in the province. Presumably, he or she is a person who has won the trust and confidence of the people, and a lot more trust and confidence than has been earned by the hon. member for Surrey—White Rock—South Langley. The hon. member's party has not been elected as a majority party anywhere and is not likely to be, so she may not have the advantage of being elected attorney general. I must say I would pity the people in the province in which she ever became an attorney general.

Nevertheless, the discretion is now given to the attorney general of the province to decide whether to bring this application. The hon. member wants to take away that discretion. She wants to put the discretion in the hands of a group of psychiatrists and if the psychiatrists say the person cannot be cured or has a particular kind of problem, bango, you lock him up and throw away the key.

The hon. member for Calgary Southeast wags her head. I am correct in what I am saying. The hon. member for Surrey—White Rock—South Langley is not wagging her head. She knows I am right. She knows I have accurately described the motion she has put to the House. Frankly, it is a very sad commentary in this day and age, considering that the age of enlightenment which took place 200 or 300 years ago came upon mankind and gave us some notion of justice and fairness, that members of Parliament are now giving this idea that locking up people solves the problem.

I know the Minister of Justice will likely come out with some of these figures in his speech a little later. However, I want to point out to the hon. member for Surrey—White Rock—South Langley that the United States take the policy that she advocates fairly seriously. They lock people up and they throw away the key.

The hon. member will find, if she looks at the figures and I know she does not like to do this because facts are always a problem for the Reform Party. Mr. Speaker, you know that as well as I do. There is nothing worse than a set of facts to face some of the hon. members opposite. It makes them quail and shake because facts are something they do not want to know about.

In the United States the imprisonment rate for persons convicted of criminal offences is four times what the rate is in Canada.

Ms. Meredith: Do you mean like Carpenter and Dailey and Cameron?

Mrs. Brown (Calgary Southeast): Clifford Olson. Paul Bernardo. Think about what you are saying, Peter.

Mr. Milliken: If the hon. members opposite would stay quiet for a minute and listen to some facts, they might learn. Instead, when they are confronted with facts they yell and shout and try to pretend that they cannot hear them because it hurts them to hear facts.

Let me reiterate what I said. I said that in the United States the imprisonment rate is four times what it is in this country. Their crime rate is significantly higher and is rising. Our crime rate has gone down in the last few years, thanks in part to the magnificent efforts of the Minister of Justice and the Attorney General of Canada.

Mr. Abbott: Oh, oh. And we have got gun control now too.

Mr. Milliken: Hon. members opposite oh and ah. I know they would love to see the crime rates go up to bolster their arguments that people should be locked up. The fact is the crime rate has gone down.

We have had people locked up for longer periods, it is true. You can ask the solicitor general about the fact that our prisons are overcrowded, but I am saying to the hon. members opposite—

Mr. Hermanson: We are not talking about parking ticket violations. We are talking about violent sexual offenders.

Mr. Milliken: I wish the hon. member for Kindersley—Lloydminster would listen to what I say. If he would listen to the facts instead of yelling all the time, he might learn something. By constantly yelling he does not gain anything.

Mrs. Brown (Calgary Southeast): It is not worth listening to.

Mr. Milliken: The hon. member for Calgary Southeast is exactly the same. How can I continue with this constant yelling? Could you please call for some order, Mr. Speaker. I leave it to you.

As I am trying to say with all this yelling that is going on, the fact is the crime rate of the United States is higher than ours in spite of the lock up policy and it is rising. In other words, any reasonable person who approaches these facts would conclude that the policy of locking people up and throwing away the key, as is advocated by the hon. member for Surrey—White Rock—South Langley, would result in an increased crime rate and more recidivism. That is exactly the American experience.

The hon. member wags her head now. Confronted with facts, she says no, that cannot be right. However, the fact is it is right. All she has to do is look at the figures. Why does she not read these figures? I have never heard her cite these figures in one of her speeches. I have never heard the hon. member for Wild Rose talk about this. I also do not hear the hon. member for Calgary Southeast bother herself with facts in her speeches either. All we hear are these opinions made up out of the air.

• (1835)

What I am convinced the Reform Party members—

Mr. Abbott: Mr. Speaker, I rise on a point of order. In a filibuster, does the member not have to use some reasoned argument at some point?

The Deputy Speaker: This is not a point of order, but I would ask the hon. parliamentary secretary, who is an experienced member, not to associate the Chair with his remarks as he did earlier. The Chair neither agrees nor disagrees with remarks of any member.

Mr. Milliken: Mr. Speaker, I have to address the Chair. I cannot address hon. members opposite. I would not want to break the rules by referring to hon. members and asking them if they agree. I can only assume, Sir, that you have the good sense to agree with my arguments because I have to put my arguments to you and not to them. I cannot expect much on the other side.

Mr. Abbott: What arguments?

Mr. Milliken: The hon. member says he is troubled because I am not dealing with facts in my speech. If he had only listened he would have heard facts. However, he did not listen. He was busy yelling at me.

The hon. member for Surrey—White Rock—South Langley in her remarks has blatantly ignored all the facts that deal with the incarceration of inmates.

The Deputy Speaker: The hon. member's time has expired.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I first want to acknowledge the very significant interest shown by the hon. member for Surrey—White Rock—South Langley. For many months she has expressed a great deal of interest here in the House and generally in finding a way to protect society from the very highest risk offenders. Her private member's bill is cogent evidence of her commitment to that cause. She is to be congratulated on that commitment.

May I also say that the hon. member for Calgary Southeast who spoke to today's motion has also demonstrated that she is most committed to finding ways of dealing with this risk to society.

I hope it is apparent from the speeches made on this side of the House in this debate that the members of the government share that commitment.

My colleague, the hon. parliamentary secretary, has developed at some length the rationale behind present part XXIV of the Criminal Code and its purpose. Part XXIV of the Criminal Code, the dangerous offender provisions, is a unique advantage which we enjoy in Canada and which sets us apart from many states in the United States.

The question is what about the bill? Would the bill be an effective way of improving public safety when it comes to high risk offenders? Much as the government is in agreement with the objectives stated by the hon. member for Surrey—White Rock—South Langley, the government is not able to support this motion. We have concluded that the means contemplated by the hon. member's bill and by this motion would not be valid constitutional legislation.

What efforts is the government taking to try to meet the perceived need in a fashion that we believe would be valid or effective? Let me spend a few moments in the sense of reporting to the House what steps we have been taking in that regard.

The solicitor general and I have been working for some months to develop proposals that will both improve part XXIV and add other provisions to the criminal law which will equip our system to deal more effectively with the highest risk offender.

In May of this year the solicitor general and I convened a meeting here in Ottawa to which we invited officials of the Correctional Service of Canada, high ranking police officers, both from the RCMP and provincial forces, and psychologists who are trained and experienced in dealing with the psychopathic personality referred to by the hon. member. We also invited representatives of the Ontario provincial attorney general's office, police officers, defence lawyers and crown prosecutors. Involved in the meeting as well was an attorney from Washington state who has experience dealing with the sexual predator law in place in that jurisdiction. We spent much of the weekend looking at the present facts in Canada, the state of the law and the American experience in trying to identify specific steps we would take by statutory amendment or changes in practice to make society safer when it comes to high risk offenders.

• (1840)

We came to a number of conclusions. I hope that many of them will come forward in the near future in the form of statutory proposals.

I would like to explain the general direction which we plotted at that time and in the months since in order to assure the House that we are both aware of the problem and working in good faith toward solutions.

First, we concluded that part XXIV can be improved, for example, by removing the requirement for the testimony of two psychiatrists in these cases. Part XXIV can be improved by removing the prospect of a definite term of incarceration,

leaving only indefinite imprisonment as an option available to the court.

We felt that the whole process of identifying and assessing accused persons to determine whether they might be the subject of a dangerous offender application could be improved with better protocols or assessment. We are developing specific proposals in that regard.

Furthermore, it was felt that if part XXIV or the dangerous offender provisions were to be effective, a flagging system should be put in place throughout Canada so that police officers who are investigating or charging and crown attorneys who are preparing for trial and determining whether to ask the attorney general's consent to bring a part XXIV application could identify on the facts of any given case whether a specific suspect or accused is appropriate for such a disposition.

The solicitor general introduced a national flagging system which became effective in September of this year, which is intended to achieve that purpose. So far the flagging system has been well received. It seems to be working smoothly and effectively. No doubt it will be improved operationally as time passes, but I believe it is a significant improvement in the system.

Other proposals were discussed on that occasion which have been under review since that time. I hope and expect they will form part of the legislation which the government will put before the House at an appropriate time. For example, earlier this year there was a report delivered by a federal–provincial–territorial task force on high risk offenders which made a proposal that we find very attractive.

As the House knows, for a crown prosecutor, with the consent of the attorney general, to bring a dangerous offender application and for a court to declare someone a dangerous offender, with the consequence that they face indefinite incarceration, requires that a certain evidentiary threshold be crossed. Obviously, it is an exacting one because the consequence is very significant.

However, there are those cases in which the public safety is at risk because of the high likelihood of an offender re–offending and yet the prosecution does not feel that it can meet the high threshold now provided for in part XXIV. The federal–provincial–territorial task force proposed that in circumstances such as those, there should be a second category to which crown attorneys and courts can resort to protect society, but which involve a threshold of proof which is less exacting than part XXIV. They describe this as the long term offender category.

In circumstances that were appropriate for such applications, the crown might ask the court, when dealing with someone who has some risk of re–offending, not only to impose a term of incarceration for the original offence, but also to impose at the end of that term a mandatory period of supervision for a duration as long as 10 years after they are out of prison, during which time the person would be obligated to comply with stated conditions, whether they be complying with the reporting requirements, taking treatment as specified, wearing electronic bracelets or whatever the case may be. There would be some reasonable measure of continuing knowledge and control of people after they are out of prison when there is a real risk they will reoffend.

That suggestion from the FPT task force strikes the government as constructive and practical. I hope to put legislation before the House at the appropriate time which would codify that kind of provision.

We have examined provisions already in the Criminal Code such as sections 161 and 810.1 which empower the court to make either restraining orders—

Mr. Epp: How come these guys keep getting out? How come they keep getting out to reoffend?

Mr. Rock: The hon. member asks why people get out and reoffend. Right now the orders provided for in sections 161 and 810.1 of the Criminal Code are very narrow in scope. They provide, for example, that where someone has been convicted of a crime involving sexual violence or interference with a young person, the court can make an order prohibiting the person from going near a playground or a school yard or some other such place. That is very narrow and circumscribed.

We are examining the prospect of taking that jurisdiction and broadening it so that if someone is released from prison where there is a demonstrated high risk of reoffending, the court will be empowered to make orders of more general application.

Ms. Meredith: I have a point of order, Mr. Speaker.

The Deputy Speaker: The hon. member on a point of order, but I indicate to her that the debate ends in 35 seconds.

Ms. Meredith: Mr. Speaker, the minister has already spoken for 10 minutes and there is still a minute left in the debate, from my calculations.

The Deputy Speaker: I always appreciate it when members tell me the time is faster than it was otherwise. According to my clock the time expires in 10 seconds. If the minister wants to get up for another nine seconds, he is welcome to do so.

Mr. Rock: Mr. Speaker, perhaps I will conclude because obviously the time has run out.

The Deputy Speaker: The time provided for 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 6.45 p.m., the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.45 p.m.)

HOUSE OF COMMONS

Thursday, December 14, 1995

The House met at 10 a.m.

Prayers

The Speaker: The House leader of the Reform Party has given notice that he is going to raise a point of order today. It is my intention to hear that point of order.

In view of the fact that it is a very important point of order and I do not want it interrupted, I have decided to go through Routine Proceedings and then I will hear the point of order of the hon. member.

This is the last sitting day of Parliament. I thought we could get Routine Proceedings out of the way and then listen uninterrupted to the point of order of the member and interventions any other members would like to make. That is how I intend to proceed.

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 five petitions.

* * *

[*Translation*]

TRANSPORTATION

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, Canada must have a modern, integrated and affordable national transportation system. One that emphasizes safety and reliability. One that is efficient. And one that supports strong, viable companies in all modes.

Our government has been working hard to provide Canadians with the transportation system they need to compete into the 21st century.

We have made tremendous progress in the air sector, based on our commitment to benefit the travelling public. The dispute between Canada's major air carriers was resolved. New regulations will ensure that the computer reservation system industry is more consumer friendly, and new financial fitness testing for start–up carriers will ensure that passengers are not stranded by companies that do not deliver.

This government has introduced a national airports policy that gives local communities a greater say in airport operations.

• (1005)

We now have an agreement in principle with NavCanada, a non profit corporation, to commercialize Canada's air navigation system. Transfer of the system will mean $1.5 billion to the federal treasury and the elimination of a $200–million–a–year subsidy.

We have unveiled an international air transportation policy that establishes clear criteria for second–carrier designations on international air routes—a policy that also makes sure Canadian carriers use the routes they are allotted. We have signed a long awaited "open skies" agreement with the United States. Seventy–five new services have already begun, thanks to open skies. Another 20 are at the planning stage.

We have taken steps to modernize Canada's rail sector. The privatization of Canadian National saw the largest and most successful initial public offering of shares in this country's history. We have introduced in Parliament the Canada Transportation Act—legislation that will make it easier for Canadian transportation companies to move people and goods safely, efficiently and affordably, and which will allow the short–line industry to grow.

The government has moved away from broad subsidies for transportation. More than $700 million in subsidy payments under the Western Grain Transportation Act and the Atlantic region freight assistance program have been eliminated entirely.

[*English*]

Today I am proud to introduce on behalf of the government a comprehensive strategy for Canadian transportation, a new national marine policy. Canada's marine system has to become more responsive to the needs of its users. It must become more efficient and less of a financial burden on the Canadian taxpayer.

The government intends to ensure that Canada has a modern, efficient and safe marine transportation system into the 21st century. Therefore, the Canada marine act will be introduced this spring. This act will consolidate and modernize the marine

regulatory regime, cut red tape and allow for faster, more efficient business decisions.

Canada's public ports will be commercialized using consistent criteria applied equitably coast to coast to coast. Ports that are important to domestic and international trade will make up the national ports system. They will be transferred to financially self–sufficient Canada port authorities made up of representatives nominated by port users and governments.

Community organizations and private interests will be given the responsibility for operating regional and local ports. Provincial governments and municipal authorities may become involved if they wish. The maintenance of designated remote ports will continue to be ensured by the Government of Canada. The government will pursue commercialization of the operations of the Great Lakes and St. Lawrence Seaway system.

Whether through the establishment of a new not–for–profit corporation or through changes within the current management structure, it is the intention to make the seaway a more efficient and effective transportation system. The government will move aggressively to full cost recovery.

The government will commercialize the delivery of ferry services. Marine Atlantic will be directed to substantially reduce its costs and increase efficiency. The corporation will explore new vessel management and procurement practices. It will take steps to streamline services and match the operating season of its vessels to realistic traffic demand.

The government will review the subsidies it provides to private ferry operators. I want to emphasize that the Government of Canada will respect all of its constitutional obligations in this area. Remote and essential ferry services will be maintained.

It is the intention to modernize the marine pilotage system. The four pilotage authorities have been directed to prepare detailed cost reduction plans. Those plans are expected to be on my desk by the end of this month. Pilotage authorities will be required to fulfil their mandate of self–sufficiency. Cost recovery for pilotage services will be 100 per cent in every region of the country where they operate. Pilotage tariffs must reflect market conditions and appropriate costs.

• (1010)

The four pilotage authorities have been directed to review the designation of compulsory pilotage areas, the process for licensing pilots and granting pilotage authorities and certificates, the criteria under which vessels may be exempted from pilotage requirements and the feasibility of new training courses to prepare more candidates for their pilot licence or pilotage certificate exam. Revisions to the Pilotage Act will be made once these reviews and consultations have been completed.

[*Translation*]

All of these changes will have an impact on federal employees. The government will make every effort to ensure that employees are treated fairly and equitably.

The national marine policy will ensure that Canada has the modern marine transportation system it needs to compete worldwide.

It will bring commercial discipline and business principles to the management of Canada's ports, the Great Lakes–St. Lawrence Seaway system, as well as to ferry and pilotage services. It will maintain the federal government's constitutional obligations—as well as its commitment to marine safety and environmental protection.

It will help to ensure that shippers have access to efficient and affordable marine transportation. That those who use our marine system pay a greater share of the costs. Services levels will reflect realistic demands. Users who will pay will have more say.

And for those honourable members who have been calling for greater local control, we have responded through the changes outlined today.

I want to thank all those who participated in helping us put this policy together. In particular, I want to thank the honourable member for Hamilton West, Mr. Keyes, and the members of the standing committee on transport which he chairs. The standing committee's cross–Canada consultations earlier this year, as well as its comprehensive report on the marine sector, proved invaluable to the development of the national marine policy.

Canadians depend on marine transportation. The measures I have outlined today will help ensure a safe, efficient, affordable and integrated marine system that meets the needs of Canadians as we move into the 21st century, where there will be the toughest competition in the marketplace Canadians have ever had to face.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I welcome this opportunity to rise in the House today to comment on the marine policy tabled by the Minister of Transport.

The minister started his speech with a retrospective of his initiatives during the past two years. In many cases, they did not quite come off. The principle was fine, and it was to provide Canadians and Quebecers with a transportation system that would be less costly and more responsive to user needs. However, the way the minister proceeded with these reforms was so awkward that it caused major problems within the transportation system, especially in the case of regional transportation.

Thanks to its national airports policy, the federal government was able to offload the cost of operating regional airports on the communities that depend on those airports. The minister went ahead with his policy without even considering the impact it would have on the cost and availability of regional transportation.

The minister is about to commercialize the air traffic control system by turning it over to a non profit company that is not even representative of all users, since small carriers and regional carriers will not be represented on the board of NavCanada.

• (1015)

I strongly urge the minister to take all necessary steps to protect the interests of small carriers during this privatization exercise. These carriers provide transportation to remote areas that have already paid a very high price for the minister's reforms.

If we consider the international route allocation policy put in place by the minister, it is biased in favour of Canadian Airlines International, which has been given privileged access to booming Asian markets. Air Canada has obtained very limited access to Asian markets. It has no fifth freedom rights and a very reduced flight schedule.

Canadian, however, has gained unlimited access to Air Canada's main foreign market, the United States. And now the minister's policy is sabotaging the development of Montreal's airports by refusing to let Air Canada operate a Montreal—Rome service. The fact that Canadian International has withdrawn its operations from Mirabel must be seen as an indication that the minister's policy for international route allocation has failed.

The Canada Transportation Act is seriously flawed in several respects. It contains no incentives for developing short–line railways. If we want to preserve Canada's railway network, it is essential that short–line railways be able to take over the operation of branch lines from the big railway companies.

When the House reconvenes in February, the Bloc Quebecois will propose several major amendments to this bill, and we hope the minister will have the common sense to support them.

As vice–chairman of the Standing Committee on Transport, I had an opportunity to take part in the proceedings of this committee and of the sub–committee chaired by my colleague for Thunder Bay—Nipigon on the development of a national marine policy. I must say I was surprised and gratified to see that, in developing his marine policy, the minister was strongly influenced by the minority report of the Bloc Quebecois.

In fact, unlike the government members on the committee who only wanted to privatize ports that were in the red, Bloc Quebecois members favoured commercializing all port facilities, whether they were profitable or not. I therefore welcome the minister's plans in this respect. However, I do wish that in this connection, he would show more concern for the regions than he did when commercializing the airports.

I am also most pleased to learn that the minister has not followed up on the recommendation of the government members of the transport committee to repeal the Pilotage Act. In their minority report, the Bloc members of that committee were against repealing the act, pointing out that the problems between the pilots' associations and the shipowners could be solved through minor amendments to the legislation. The minister seems to share our view, but we shall keep a close eye on the amendments he plans to make to the Pilotage Act.

We had supported the commercialization of the St. Lawrence seaway and are not surprised to find that in the minister's policy. If done intelligently, I believe this will bring renewed life to that important waterway. I hope the minister will make an effort to involve those who work on the Seaway in that process.

In conclusion, I am pleased to see several of the Bloc Quebecois minority report suggestions in the minister's policy. My impression at this time is that the minister is on the right track for providing Quebec and Canada with a forward–looking maritime policy. We must, however, wait and see how he plans to transform his policy into actions.

In light of past experiences, the official opposition will need to remain watchful, and we intend to examine every detail of the minister's measures very carefully. It is already not a good sign that the government is looking at cost recovery for icebreaking in the St. Lawrence. This is unacceptable, for it would mean that Quebec shipowners would be saddled with close to half of all the charges the government intends to levy for coast guard services.

It would be unfair to make shipowners pay for a service that is in the public interest and ensures the safety of those living along the waterway, not to mention the very negative impact this measure would have on the ability of St. Lawrence ports to compete directly with U.S. ports, as they must.

So you see, Mr. Speaker, the important thing is the way we go about it.

• (1020)

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it is the Christmas season and a time of goodwill. Therefore I would like to start by wishing the minister a good holiday season. I trust he is still able to hoist some holiday cheer after the strain he put on his arm by patting himself so vigorously on the back.

It has been an interesting time for me as Reform's national transport critic. Each major policy the minister has introduced has had my support in concept. As I explained recently to a New Brunswick reporter, the minister has very Reform like concepts; now if we could only convince him to adopt more Reform like implementation.

The minister spoke of many policies, including the national airport policy. Although I support its concept, this policy has a tendency to skim profits and leave several of the airport authorities struggling for future financial viability.

On the commercialization of air navigation services, I support this move but there are still many unanswered questions about the Hughes contract and how it will impact, with its deleted features and increased costs, on the final agreement and on the financial viability of NavCanada in the future.

On the international air transportation policy, given the initial backroom dealing of the government, I am glad to see it has come up with a clear and reasonable policy at last.

The government went ahead with the much requested open skies policy while stifling Pearson airport with its unwarranted political decision to cancel a contract that would have enabled Toronto to compete with the best for the new hub concepts. As it is, over $5 billion has been spent at airports within one hour's flight of Toronto to enable them to compete with new hub business while Pearson languishes with decrepit, outdated terminals I and II. The contract would have seen $350 million already spent at Pearson with much more in progress. The government has spent nothing, has announced no alternative construction plans and has no money. The final cost to the Canadian taxpayer will likely run well over a billion dollars.

On the privatization of CN, again the concept was good but the implementation was terrible. The new private company is legislated to remain headquartered forever in one location whether that is best for the company or not. I asked for an amendment that would have seen the shares of that company first offered to Canadians before opening sales to the rest of the world. The Liberals refused. The results were that although there was an unsatisfied demand for the shares here in Canada, 40 per cent were sold exclusively to foreign purchasers.

On the Canada Transportation Act, committee handling of this has been better than it was with Bill C–89. A more open approach to Reform amendments has seen the bill made more reasonable. There is hope for a good bill if Parliament accepts the voice of the majority of witnesses who asked for the removal of clause 27(2). Surely the government will consider this. The alternative is to tell all the witnesses their testimony was meaningless and there is no point in appearing before committees again in the future.

Now the minister is ready to proceed with the Canada marine act. Once again I am in favour of the concept but I worry about the detail and the implementation. I put the minister on notice of the following points which differ from those recommended by the Liberal majority in the Standing Committee on Transport.

New port authorities must be better protected from government cash grabs than they have been in the past, and some of the airport authorities are being faced with that now. The minister said representatives will be nominated by port users and government. The committee recommendation refers to the government appointing at least the majority. That is unacceptable. Government representation, yes; control, no.

The committee is also recommending a ports capital assistance program. The main emphasis it placed on this was to bring non–commercial ports to upgrade them to become self–sufficient. The idea has some merit as long as it is not used to subsidize a port to compete directly with an unsubsidized Canadian port.

The minister's suggested policy regarding cost recovery of ice breaking services is unacceptable. User pay is a great Reform concept, once again accepted by the minister but potentially implemented incorrectly. Users should pay only for what they use, use only what they need and pay for it at a commercially fair and reasonable rate.

The minister talks about revising the marine pilot act, as did the committee. As he does this he should keep in mind that all regions have a problem with the pilotage and he should not create national policy to deal with regional problems. I support the concept of the privatization of Marine Atlantic. I would like the minister to consider the concept of the in depth study of cross–departmental financial impacts.

• (1025)

The province of Nova Scotia has recently completed an impact study on the *Bluenose* ferry. It would save something over $4 million by closing down but the impact in other departments and other jurisdictions would cost as much as $15 million. These things must be harmonized together.

Marine Atlantic proposes to close the ferry in the winter but that study suggests this would create a net financial loss to the taxpayers. These new concepts must be considered.

I find I have got on fairly well with the minister. Amid all the talks of cabinet shuffles, I hope the Prime Minister sees fit to leave him where he is. I would hate to have to break in a new one now.

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report by the Canadian section of the Assemblée internationale des parlementaires de langue française and the financial report on the meetings of the 21st ordinary session of the AIPLF, held in Ottawa and Quebec City respectively from July 7 to 12, 1995.

* * *

[*English*]

COMMITTEES OF THE HOUSE

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 11th report of the Standing Committee on Aboriginal Affairs and Northern Development.

This report deals with the subject of co–management of natural resources with aboriginal peoples. The report discusses the evolution of co–management regimes and recommends the delegation of authority to regulate small scale resource development to local co–management boards.

It is the committee's hope this report can further co–operation between aboriginal and non–aboriginal people and contribute to the sustainable use of our natural resources.

I thank my colleagues from all parties who participated in this study. Through their determined efforts they were able to come to a consensus and produce a unanimous report.

Pursuant to Standing Order 109, the committee requests the government table its comprehensive response within 150 days.

JUSTICE AND LEGAL AFFAIRS

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 13th report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Monday, October 23, 1995, your committee has considered Bill C–106, an act respecting the Law Commission of Canada, and your committee has agreed to report it with amendments.

FINANCE

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 23rd report of the finance committee. This report deals with Bill C–100.

I congratulate the minister responsible for financial institutions who implemented a process of consultation with industry, with consumers and with all members of Parliament. These groups through the finance committee came together and crafted in partnership this bill.

I also thank staff members of the House of Commons who worked so assiduously with our committee and who have been such an asset to us. I thank all members of Parliament on the finance committee who worked so diligently with us and wish them all a happy holiday season.

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the eighth report of the Standing Committee on Environment and Sustainable Development entitled "Keeping a Promise: Towards a Sustainable Budget".

The report examines the subject of fiscal disincentives to sound environmental practice.

• (1030)

The committee, in addition to being provided with information of a general nature on the tax grant and subsidy system currently in place including the progress to date of the base line data collection process, focused on four sectors: agriculture, mining, energy, and transportation. Based on the evidence, there are compelling reasons for launching a base line study as was promised in "Creating Opportunity" for the economic, social and environmental benefit of all Canadians.

[*Translation*]

I would like to thank the witnesses and the members.

[*English*]

NATURAL RESOURCES

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the eighth report of the Standing Committee on Natural Resources entitled "Streamlining Environmental Regulation for Mining: An Interim Report".

I wish to express my sincere thanks to all the members of the committee who co–operated in coming to a unanimous report. I will stress that this is an interim report. There is more to come but today I thank you, Mr. Speaker, and the members of the committee for working together to make this possible.

* * *

CRIMINAL CODE

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–118, an act to amend the Criminal Code and to amend certain other acts.

(Motions deemed adopted, bill read the first time and printed.)

* * *

CRIMINAL CODE

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–119, an act to amend the Criminal Code (child prostitution, criminal harassment and female genital mutilation).

(Motions deemed adopted, bill read the first time and printed.)

* * *

YUKON QUARTZ MINING ACT

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.) moved for leave to introduce Bill C–120, an act to amend the Yukon Quartz Mining Act and the Yukon Placer Mining Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

PARLIAMENT OF CANADA ACT

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.) moved for leave to introduce Bill C–366, an act to amend the Parliament of Canada Act and the Canada Elections Act (confidence votes).

He said: Mr. Speaker, I am very pleased to introduce this bill which you described as an act to amend the Parliament of Canada Act and the Canada Elections Act.

As members recall, two or three days ago I withdrew a bill which was the incorrect draft. I had initially described that bill when I introduced it. The only additional comments I will make is that this bill will also bring more certainty as to the timing of byelection and general election dates.

In light of the vacancy in Labrador, the way this bill would affect that vacancy is it would prevent a byelection from being held in the dead of winter. It would also prevent the people from Labrador from not being represented for an undue length of time. It would also have prevented the past byelections that were held over the Christmas and New Year's season from happening.

• (1035)

This bill brings more certainty to the election process. It is not a violation of our Constitution. I believe it is a very good piece of legislation. I invite members over the Christmas season to look at it and if they could propose amendments that would make it an even better bill, I would certainly be willing to have them talk to me about it.

(Motions deemed adopted, bill read the first time and printed.)

* * *

BLACK CANADIANS

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, with the unanimous consent of the House, I move, seconded by the hon. member for Québec, the hon. member for Kootenay East, and the hon. member for Burnaby—Kingsway:

> That this House take note of the important contribution of black Canadians to the settlement, growth and development of Canada, the diversity of the black community in Canada and its importance to the history of this country, and recognize February as black history month.

The Speaker: The hon. parliamentary secretary had the unanimous consent of the House to move the motion. Is it agreed?

Some hon. members: Agreed.

(Motion agreed to.)

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, you will find a disposition on the part of the House in respect of today's debate on government Motion No. 28 to proceed as follows. There will be three 30–minute speeches by the first three speakers. Following that, there will be 20–minute speeches without questions or comments for the remainder of the debate. The whips could divide those as they choose under Standing Order 43.

There is a disposition on the part of the House to proceed that way in respect of today's debate.

The Speaker: Does the hon. parliamentary secretary have permission for this proposal?

Some hon. members: Agreed.

Mr. Milliken: Mr. Speaker, two other small matters that are agreed to. First, when we reach Private Members' Business today at 5.30, there is a disposition on the part of the House to deal with Bill S–12 now on the Order Paper at all stages. I am giving notice so there is a clear understanding that would happen before the normal private members' business for the day. I anticipate a very short passage for Bill S–12.

At the end of private members' hour, there is a disposition to deal with a matter on the adjournment. It is a late show item left over from last night which should take six minutes.

[*Translation*]

Mr. Loubier: The bill arising from omnibus bill 4?

Mr. Milliken: It is Bill S–12, a private bill. After the time allotted for private members' business, we will have an adjournment debate, at which time the hon. member for Bourassa and the Minister of Citizenship and Immigration or his parliamentary secretary will be speaking. The whole thing will take six minutes, and we can add this time to the debate on government Motion No. 28.

[*English*]

The Speaker: Does the parliamentary secretary have consent?

Some hon. members: Agreed.

* * *

PETITIONS

CANADIAN HUMAN RIGHTS COMMISSION

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, I have the honour to present four petitions today.

• (1040)

The first petition notes that the Canadian Human Rights Commission has decided to eliminate the work of about 40 investigative staff in six regional offices in Canada. The petitioners call upon Parliament to rescind the decision and restore the full functions of the commission's regional offices with a full complement of investigative and administrative staff.

The petition is signed by residents of London, Ontario.

THE SENATE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, the second petition which I wish to present notes that the Senate is not elected and therefore is not accountable to the people of Canada. The petitioners humbly pray and call upon Parliament to end this wasteful use of taxpayers' money and to abolish the Senate.

The petition is signed by residents of Thunder Bay, Ontario.

[*Translation*]

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, the third petition asks Parliament to act quickly to amend the Canadian Human Rights Act to explicitly prohibit discrimination on the basis of sexual orientation in all areas of federal jurisdiction and to adopt all measures necessary to recognize common law couples of the same sex in federal legislation.

[*English*]

ASSISTED SUICIDE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, the final petition is signed by residents of Saskatchewan, British Columbia and New Brunswick.

The petition draws to the attention of the House the fact that the current Criminal Code denies people who are suffering from terminal or irreversible and debilitating illness the right to choose freely and voluntarily to end their lives with the assistance of a physician. Therefore, the petitioners call upon 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 that the decision is free, informed, competent and voluntary.

[*Translation*]

TAX SYSTEM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, at a press conference I attended last week in Quebec City, I made a commitment to the members of seniors clubs in the Quebec City and Chaudière–Appalaches region to table a petition signed by 10 per cent of their most active members.

The petition asks the government to revise the entire tax system to make it more fair and equitable.

It criticizes the government for choosing to shift the tax burden onto people with low income. It criticizes the cuts made to the health, education and welfare sectors, through the Canada social transfer.

It contains a warning to the government and the Minister of Finance about their intention to review the old age pension plan in depth. The petitioners question the income test and make a number of suggestions to the minister. I hope he will consider them.

[*English*]

GRANDPARENTS RIGHTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36, I present once again petitions on behalf of Canadians from Ontario and Quebec. They ask the government to recognize the need for an amendment to the Divorce Act to grant grandchildren access to the grandparents.

I am encouraged that I was given a commitment on behalf of the Minister of Justice yesterday in the House that the government will be dealing with my proposals for change. Grandparents and all seniors will continue their vigilance until we indeed have the promised change for our grandchildren.

The Speaker: I wish to inform the House that pursuant to Standing Order 33(2) because of the ministerial statement government orders will be extended by 23 minutes.

Points of Order

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 Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. On September 18 I put a written question on the Order Paper and asked for a response within 45 days. It was one of those questions which every government department should have had at their fingertips and I have not had a response yet. Now we are going into the Christmas recess and the House will not sit until February. I cannot understand why there is not enough competence to answer my question in a reasonable length of time.

Mr. Milliken: Mr. Speaker, I will try to explain the situation to the hon. member. His question was:

> What is the total dollar amount spent on advertising by the government and its crown agencies in fiscal years 1991, 92, 93 and 94, by province, in each of the following mediums: television, radio, daily newspapers, weekly newspapers, monthly newspapers, billboards, and direct mail?

That is going to be a massive reply, I have no doubt. The hon. member knows, as well as I do, that the previous government spent millions and millions each year on advertising. This is going to take massive research.

The latest information I have is that there are 14 government agencies which have to file the information which is required in order to provide the kind of detail which the hon. member wants.

• (1045)

I am sure the persons responsible for this, and I take some responsibility, will work diligently throughout the Christmas holiday to come up with an answer that will satisfy the hon. member. I know he wants an accurate and complete answer, and that is exactly what he will get.

* * *

POINTS OF ORDER

OFFICIAL OPPOSITION

The Speaker: I have a notice of a point of order from the hon. House leader for the Reform Party.

So that we will know how we are to proceed, I believe there have been some minor discussions. I will recognize the Reform Party. Then I will recognize the Bloc and the government. Then I will invite anyone who wants to add anything at all to this point of order. I will hear it all.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise at this time to talk about some very important issues: first, democracy; second, the role of an opposition in a parliamentary democracy; and, third, the office of the Leader of Her Majesty's Loyal Opposition.

There are no formal criteria for selecting the official opposition. By longstanding tradition the leader of the opposition is the prime minister in waiting and his caucus is the government in waiting.

Should the government lose the confidence of the House:

> —it is the largest minority party which is prepared, in the event of the resignation of the Government, to assume office.

This is from Erskine May, the 20th edition, page 252, and Beauchesne's sixth edition, citation 196.

Doubt exists as to the Leader of the Opposition in this assembly. This doubt among other things stems from the fact that there is near parity of numbers between the Bloc Quebecois and the Reform Party. The Bloc does not have the best claim to be the government in waiting and the present leader of the Bloc has given notice to the Chamber of his departure.

We believe that the Reform Party should be the official opposition because we are the largest minority party that is prepared, in the event of the resignation of the government, to assume office.

I suggest at this time another criterion for a party becoming the official opposition. After the Alberta provincial general election in 1983, the legislative assembly found itself with two opposition parties with equal numbers. Much energy was expended on both sides and much energy has been expended since assessing and evaluating that decision. However Speaker Amerongen based his ruling, found in the summer 1983 edition of the *Canadian Parliamentary Review*, on the following basis:

First, the popular vote received by the NDP was over 200,000 throughout the province. The popular vote of the other party was considerably less.

Second, the Speaker concluded that since the two NDP MLAs represented a broader range of interests—and that is very important—they should be the official opposition.

Let us look at the facts facing us in this assembly. In addition to achieving the election of 52 members of Parliament, the Reform Party elected these members in five provinces. Further, the Reform Party received the second highest popular vote. Over 2.5 million electors voted for the Reform Party, which amounts to 18 per cent of the popular vote nationally. By comparison, the Bloc Quebecois received about 13.5 per cent of the total popular vote in one province.

We contend that the Reform Party represents a far broader range of interests than the Bloc Quebecois, both in terms of the popular vote and in terms of our caucus including MPs from the five provinces. Electors who voted for Reform but whose MPs

are from another party look to Reform to defend their interests. These Canadians surely do not look to a party whose raison d'être is the break up of the Canadian Confederation. I cannot understand and Canadians cannot understand how that concept could be supported in any way. It puts doubt on who should be the Leader of the Opposition and who should be the official opposition in this assembly.

• (1050)

Why does the Reform Party now bring the matter before Your Honour? Early in this Parliament the leader of the Bloc and his party asserted and made a commitment that they would defend the interests of all Canadians and fulfil the roles of the Leader of the Opposition and the official opposition.

We have to look at the record, and the record speaks for itself. Over the past two years it has become absolutely clear this commitment has not been fulfilled.

We did not believe the interest of the Canadian union would be served by bringing this issue before the House while the referendum campaign was being waged. Instead we proposed measures for change to Confederation in the midst of that campaign. We proposed positive, democratic measures in pursuit of peace, order and good government of Canada. A constructive opposition could not have done otherwise.

Now the leader of the Bloc has again indicated, as of yesterday, that it is his intention to leave the House. Regardless of whether or not the Bloc leader leaves and the seat is declared vacant, serious doubt exists about whether the Bloc Quebecois should continue to be the official opposition in the Parliament of Canada and for the people of Canada at this time.

Your Honour, serious doubts have been cast. The time is ripe for the consideration of this issue. In fairness, we would also like to offer another approach in considering this matter, an approach in keeping with the spirit and the evolving traditions of our democratic system. There are precedents when doubt exists where members of the opposition have been allowed to select their leader. I draw attention to two such cases.

From 1918 to 1920 the U.K. leader of the opposition was the leader of the Liberal Party, which was the fourth party in the House of Commons. The government of the day was a coalition of the Tories and like minded members of the Liberal Party. The second party was the Sinn Fein and the third party was Labour. The official opposition went to the Liberal Party for two very important reasons.

First, on the basis of a compromise worked out by the Speaker, Labour agreed to support the leader of the Liberals becoming the leader of the opposition. It was on the basis of the Liberal leader's having support from the greatest number of opposition members that he became leader of the opposition.

Second, in the event that the coalition government broke up, the coalition Liberals would return to their party banner. Therefore it would be the Liberals who would be asked to attempt to form a government in the event of the coalition's failure. The Liberals had the largest and strongest claim to being government in waiting.

The second case is from the Australian Parliament's House of Representatives in October 1941. Of the coalition parties, the United Australian Party was the largest party in opposition. The decision on who should be the leader of the opposition was not left solely to the United Australian Party. Instead the UAP settled its own leadership.

The Speaker then presided over a joint meeting with the Country Party, which was the other opposition party in the House. The two groups elected the leader of the opposition. The leader of the Country Party was elected leader of the opposition and the results were announced in the Australian House of Representatives on the next day. This can be referenced in the *Commonwealth Parliamentary Debates* of October 8, 1941, volume 168, pages 730 and 731.

• (1055)

In summary, we are facing a very serious crossroads and we ask Your Honour to consider what we have laid before you at this time. We have pointed out that there is serious doubt surrounding the status of official opposition and that is why I have brought the matter to your attention on behalf of my party.

Where there is doubt, Mr. Speaker, I am asking you at this time either to make a decision with regard to the doubt or to preside over an election where opposition members determine the Leader of the Opposition. We have pointed out that it is not simply the largest party in opposition that becomes the official opposition in all cases. There are exceptions and other ways of dealing with the matter. There are circumstances that warrant another party becoming the official opposition.

As I have stated at the outset, we in the Reform Party have a better claim than the Bloc Quebecois to being a government in waiting. It is absolutely clear. I can see where there is no doubt with regard to that matter. There is no way that anyone could argue any differently.

We have also pointed out that the Reform Party represents the broadest range of interests, whereas the present official opposition represents a very narrow range of interests and objectives, not for all of the people of Canada but for themselves and in their own province of Quebec.

In conclusion, Mr. Speaker, Reform Party members and I ask you in the most responsible way to consider the deliberations that have been presented before you. We ask that you base your ruling on our submission and, if required, give us your ruling when the House reconvenes. We also ask that you consider any change in circumstance regarding the matter during the Christmas recess. If such changes take place that put you in a position where you can make a decision before the House reconvenes, we

ask you to advise us immediately on those change in plans. Mr. Speaker, I thank you and the House for the opportunity to deal with this matter.

The matter is very serious in the minds of many Canadians. It is also serious to the future of the House and its deliberations in the next two years. When we cross the bridge of accepting the Reform Party of Canada as the official opposition or not, we will cross a bridge of democracy that will be either good for the country or will be an action that will not be good for our future in regard to unity.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is certainly not out of a lack of respect for my hon. colleague, but I will be brief.

The Parliament of Canada Act and the standing orders of the House of Commons recognize the minority party with the most members as the official opposition. I do not want to offend my colleague, but there are 53 of us and 52 of them.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I do not think I will take quite as long as the House leader of the Reform Party, but perhaps I will not be quite as brief as the House leader of the Bloc Quebecois.

Essentially three arguments were brought before you, this morning, Mr. Speaker: one invoking democracy, the second on the role of the opposition, and the third on the designation of the Leader of the Opposition within the context set in the second argument.

It was explained that there was doubt, at least in the mind of the House leader of the Reform Party, about the status of the Leader of the Opposition; that there was near parity in the House of Commons; and that the present Leader of the Opposition had given notice that at some point in the future he would no longer hold that position. This argument was brought to the House before and was raised by the Reform Party outside the House in the media at some point. Some months ago the Reform Party asked the Government of Canada to declare it to be the official opposition. The argument was presented that for ideological considerations the third party should be declared the official opposition, notwithstanding the fact that there was no precedent for doing this in the Canadian system and second, it was asking the government to choose its own opposition.

• (1100)

The argument was obviously very weak because if the government chose its own opposition based on ideological grounds and not on numbers what would stop it from choosing the party that is in fourth place, the New Democrats, to be the official opposition? After all, there are less of them and presumably that would be less offensive to the government. The argument could be made that they have been around longer and therefore have legitimacy.

What about the Conservative Party? It is in fifth place with two members. As a government that would suit us a lot better because there are less of them to object to government policy. After all the Conservatives were in power at the time of Confederation. If the argument follows, that would give them some claim to legitimacy. Why can we not invoke that?

If the government were ever put in the position where there would be a vote of the House choosing who the opposition would be, with all members voting, as was suggested some weeks ago, or the new twist of this morning of asking only opposition members to vote, the result would be the same.

The result would be the same because neither the government nor supporters of the government or anyone else, other than the Speaker, should choose who the Leader of the Opposition is in the House of Commons. Once we deviate from that we could be on very dangerous ground that would subvert parliamentary democracy.

I listened very patiently to the remarks of the previous speakers and they, the great advocates of democracy in what they refer to as an important debate, perhaps would care to listen for a few minutes and at the same time give the same respect that was given to them not that long ago.

Mr. Speaker, you will recall that on October 31 during question period the member for Lethbridge, the House leader of the Reform Party, asked a question which was tantamount to asking the government to recognize his party as the official opposition. That is on page 16028 of *Hansard*. At that time the request was made of the government. Now the request is made of the Speaker.

I have before me an article from the Calgary *Herald* of November 18 which quotes the member for Lethbridge. At that time he said: "As soon as he", referring to the Leader of the Opposition, "gives his letter of resignation the member for Lethbridge says he will be ready to rise in the House and make his case".

It seems that is not soon enough for the member. He rises today in anticipation of what he believes to be the future resignation of another member of the House.

The fact remains that while the decision is yours—

Mr. Hart: Yesterday was his last day.

Mr. Thompson: Don't you remember hugging and kissing him?

Mr. Boudria: I go back to the point I raised a while ago. People who believe that democracy is at stake here and that their arguments be heard, seem to believe other people's arguments do not deserve the same democratic consideration. They will probably stop heckling sooner or later or their leader might come and order them to shut up.

I want to indicate to you, Mr. Speaker, that the decision is yours and only yours. It does not belong to members of the House, to be made either individually or collectively. A vote of opposition members or a vote of government members would subvert the democratic principles that the third party states it espouses this morning.

I had the opportunity to consult the *Canadian Parliamentary Guide* concerning what happened in the Alberta legislature because of the precedent quoted by the hon. member for Lethbridge. The argument was made that the two independent members, presumably joined together at the hip, should form the official opposition versus two people who held that designation at the time.

• (1105)

It is interesting to note that one of the two people asking for that was the present member for Lethbridge. He lost the argument and did not become the official opposition. Perhaps he forgot about that, but that is what occurred some 13 years ago.

Second, the legislative assembly of the province of New Brunswick was faced with the situation of an identical number of seats, not close parity of seats some years ago. It made a decision in that regard and I will refer to it in a minute.

The interesting point that was raised by the member of the third party, the hon. member for Lethbridge, was that there was some similarity to what has occurred in other regions of the country.

The Speaker, of course, will be making his decision in due time on this. However, the precedent that was invoked is inappropriate, inaccurate and does not even reflect what occurred.

In reference to the decision in 1994 in New Brunswick, the Speaker had to choose between two political parties having an identical number of seats. The decision of the Speaker was that when there are an identical number of seats, the rule of incumbency should apply.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise in response to the hon. government whip and as the House leader in the last year of this session.

I want to make it abundantly clear to the House—I know you know this, Mr. Speaker—that this is the first formal presentation my party has made regarding the issue of the official opposition. We have not formally requested the government to make a decision because we realize the government does not have the jurisdiction to determine who is the official opposition. We understand that is your prerogative, Mr. Speaker.

I reinforce what my House leader stated, that we give you that prerogative. Our House leader has suggested that there may be two ways that you might choose to deal with this issue.

We have not, at any time, asked the government to recognize us as the official opposition. We have responded to Canadians' concerns about who forms the official opposition in this House. That debate has at times occurred in the House but I want to clarify that this is the very first presentation by the Reform Party to this House and to yourself specifically regarding the matter of official opposition.

The only further comment I would make is that this is the correct timing. We understand this is a serious matter and want to give you adequate time over the Christmas and New Year's break and through January, if need be, to consider the argument that my House leader has brought forward, the precedents that he cited, not only from the Canadian parliamentary system but the British and Australian systems as well.

I also want to acknowledge that the government whip did recognize that my House leader has personal experience in this issue. The precedent he is using is to argue that the Speaker in Alberta made the right choice. He is bringing those arguments to you. Hopefully you would make the same choice in this case.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I listened very carefully to the presentations of the hon. member for Kindersley—Lloydminster and the hon. member for Lethbridge.

With great respect, I disagree with the hon. member for Kindersley—Lloydminster when he says that there has been no formal presentation before. There was a request. It was summarized by the chief government whip in his remarks a few moments ago. I would like to read it to the hon. member to refresh his memory.

On October 31, 1995 the hon. member for Lethbridge put this question during question period. He said: "Mr. Speaker, the Prime Minister has catered to the separatists in the House. His government supports them as the official opposition. His government has elected them as committee chairmen and his government has changed the agenda of the House for the separatists. The separatists in the House have been granted special, preferential treatment. My question is for the Prime Minister. Why is this happening and when is it going to stop?"

• (1110)

Some hon. members: More, more.

Mr. Milliken: I could read more of the words of the hon. member for Lethbridge. However, it is clear that what he meant by "when is it going to stop" is, when is the government going to install the Reform Party as the opposition. The government did not support the Bloc as the official opposition. It was chosen as the official opposition because it was the largest opposition party and it still is the largest opposition party.

The Reform Party, despites its efforts, has been unsuccessful in winning any seats in any byelections. It is down in the polls to 10 per cent. Reform members have problems and they are trying by this grandstanding technique today, when they are still behind 53 to 52, as the hon. member for Roberval so ably pointed out, to say that Your Honour ought to make a decision to displace the official opposition in their favour.

What the chief government whip has said is very clear. You, Mr. Speaker, have the power to make the decision as to which party is recognized as the official opposition in the House. It is not for the government to make that decision and the government does not want to be a part of that decision.

We are prepared to say that if a situation arises in the next little while where there is an equality of votes, the standard practice in the House is to leave the status quo. We point that out. It is not, of course, intended to be binding on anybody, but it is the normal practice.

When the Speaker, for example, is confronted with a situation where there is a tie vote in the House and has to break the tie, he generally exercises his favour so as to maintain a status quo and not to pass a motion that would otherwise change the status quo by voting in favour of that motion. It is generally exercised in favour of maintaining the status quo.

That is the normal practice developed over some considerable time by Speakers of the House. While it is not necessarily binding, it certainly is a fairly well accepted convention and one that Your Honour will want to consider very carefully when making any decision. Perhaps your decision should not be made today but at a future date when there has been a resignation by the hon. member for Lac–Saint–Jean. He might not win the leadership of the Parti Quebecois. If he came to his senses, of course, he would seek the leadership of the Liberal Party. However that is not vacant in Quebec. So far that has not happened. He has changed parties before, as hon. members opposite know.

Mr. Boudria: Five times.

Mr. Milliken: As the chief government whip says, five times.

The fact is that he is running for a particular position and he indicated very clearly that he was not going to leave his seat in the House until he got it. Why give up certainty and trade it for something so uncertain? He is staying as a member of the House and that is the case now.

If that situation changes before the House resumes in February, I am sure that Your Honour will want to bear that in mind when looking at the facts and assessing the situation in making a ruling on this point of order.

With great respect, the point of order is premature. The hon. member for Lethbridge should really get a grip on the rambunctiousness of some of his members. I realize it is Christmastime, but all the presents do now flow in December. Some of them may come on another day.

This application is premature. He should have waited, as he said he would do when he spoke to the Calgary *Herald* in November, until he is in a position where the Reform Party is the larger party and then make his claim.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, what is happening today is perhaps the most important consideration that will be faced by this Parliament. Make no mistake, Mr. Speaker, the point has been missed thus far in this debate. The fact is that our country is at peril, every bit as much as if we were facing an enemy from without. We have an enemy in our midst. We have given the Trojan horse in our Parliament the ability to subvert the actions of the House. The really important consideration is we are going into a life and death battle for the future of the country. The separatists, the Bloc, have a democratic right to be here. They have a democratic right to fight this on any battlefield they can get and to do so with passion.

• (1115)

We have the same right to use everything in our power, every resource we have, to fight them. For the last two years our fight has been one of retreat. Every opportunity the country has had to face the separatists, to stare them down, we have retreated. That is what damn near cost us the country on October 30.

The time to start facing down the separatists is now, in the very centre of the country, the House of Commons. They have no right to be the official opposition. They do not represent the continuation of the country as a whole and complete entity.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I do not now envy the load of responsibility you carry. The decision which is yours now to make is pivotal.

I add and emphasize the definition of the official opposition, which you must take into consideration, from section 196 of Beauchesne:

> The political party which has the right to be called the "Official Opposition" is the largest minority group which is prepared, in the event of the resignation of the Government, to assume office.

This statement does not state the government will resign, but only in the event it resigns.

I cannot emphasize strongly enough the importance of the decision you are about to make in the next six weeks. You are being called on to decide who would form the Government of Canada in the event the Liberals resigned.

If you decide Canadians are best served by a party whose stated objective, which it has demonstrated in the last two years consistently, is to break the country into two pieces, you would err greatly.

We receive a great deal of mail. I receive mail from my constituents in Elk Island and from other people right across the country. The Speaker needs to be informed that there are Canadians right across the country who have written to Reform MPs, me included, in near exasperation, asking when we will do something.

We are helpless in the sense, as has been pointed out, that we are the third party by the ranking of numbers. A number of petitions by electors of Canada have been presented asking the House to name a loyal party to Canada the official opposition. This is of greatest importance.

I have received letters from and have had personal appointments with people who said they are so distressed but feel so helpless. They ask: "What can we do? We have a group in Canada that wants to tear the country apart and we cannot even deal with them in the House of Commons".

This is a very serious problem. I urge you, Mr. Speaker, to do the right thing. I appreciate the tremendous responsibility you bear at this time.

• (1120)

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, some question has arisen in the House on the matter of 53 Bloc members versus 52 Reform members, although I do not believe that is the entire consideration placed before you by our House leader.

The question arises whether the current Leader of the Opposition is deemed to have resigned from his seat in the House considering the issue of conflict of interest by an individual who has verbally given notice to lead a province and a party dedicated to separating from Canada.

The issues that individual is now dealing with are provincial in nature and not explicitly in the interests of the federation. Mr. Speaker, I therefore believe there are 52 members in both parties and that you should look at the issue of whether the Leader of Opposition is a member of the House at this point.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I have a few brief comments.

I could tell you that if the Bloc had finished third in the 1993 election, we would have had enough pride not to beg for the job of official opposition. I think that it is a matter of numbers, as the Bloc parliamentary leader pointed out.

I find it hard to understand the third party, Reform. Yesterday, they were calling for the Prime Minister's dismissal; today, they want to become the second party with fewer members. They live in a different world.

As the holiday season gets under way, there may be too many people in that party who still believe in Santa Claus.

[*English*]

The Speaker: I think that is one round. I was given notice of this point of order and I wanted to hear it.

At this moment there is no decision for me to make, nor would I make one now.

[*Translation*]

I will consider the statements that were made by all our colleagues here in this House, I want some time to reflect.

As you know, there may be changes in the number of members sitting in this House. These changes may occur in the coming weeks.

[*English*]

You have asked me as your Speaker to reflect on a point of order that was raised. I have now received information from you, my colleagues. I intend at this time to take the information, gather information of my own, reflect on what has been asked of me and if it is necessary, when it is necessary, I will return to the House with a decision.

GOVERNMENT ORDERS

[*English*]

FINANCE

INTERIM REPORT OF STANDING COMMITTEE

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.) moved:

That this House take note of the Interim Report of the Standing Committee on Finance pursuant to Standing Order 83.1, presented to the House on December 12, 1995.

• (1125)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, just over a year ago I was privileged to lead off the last take note debate on the possible measures for the 1995 budget. Today it is a pleasure to replay that role for the 1996 budget. It allows me to renew the heartfelt challenge to all hon. members of the House.

I also take the opportunity to thank, on behalf of the Minister of Finance, the finance committee for its work not only on prebudget consultations but on many other issues. I see both of my colleagues from two opposition parties here and I extend my thanks to them.

The chair of the finance committee who was here earlier to present a report told us yesterday that the finance committee has met over 200 times since the government was formed. It has a considerable workload. The attendance has always been first class. There is continuity in what has been said in debate in the committee. The collegiality we have in the organization of our work is greatly appreciated. We know that in a partisan House there are natural divisions, some very heartfelt divisions, but it is also reassuring to those of us who enjoy Parliament to see a committee work so well. On behalf of the minister I say thank you and wish everyone season's greetings. I look forward to continuing the work in the new year.

Today's debate is an accumulation of the work done by the committee as well as individual members of Parliament. Since September we have been meeting with Canadians in Ottawa and across the country. The committee split itself in half. Half went west and half went to Atlantic Canada and Montreal. We have heard hundreds of witnesses in a series of round table discussions. We have also heard individual presentations. The interested public as well as members of the committee are getting more familiar with the process. We have had some very good debate.

I would highlight the work by charitable organizations. They have given us some new ideas. I would also highlight the work by health coalitions. They have given us some suggestions on what the budget response should be on health care. We have also heard from several business organizations who talked about their optimism with the economy and at the same time their desire to see some changes in the way we do business.

These suggestions are always considered. They are always taken in good faith. They are very much appreciated. The government has every intention to follow up on these many ideas. The government is awaiting the committee report which will be tabled in the House during the Christmas recess. It will have more ideas and a semblance of what we think should be done.

The Minister of Finance was before the committee last week. He presented his idea of where we should be heading, the 2 per cent target for the deficit in two years. That was the new announcement for the second year of our rolling target. The committee wholeheartedly endorsed the suggestion, although there were two dissenting opinions. On the whole, the committee appreciated that the minister was very forthright about our new target. Parliamentarians, Canadians and people around the world watching the Canadian fiscal situation were very pleased with what the minister said.

One of the pledges which brought our government to office was to deliver genuine change in how the federal government manages its fiscal decision making, change that provided the public with more open access to information and a change which would give Canadians and their representatives, their members of Parliament, a real role in charting the course of action for the nation.

[*Translation*]

The latest economic and fiscal update, which the Minister of Finance submitted last week to the House Standing Committee on Finance, is a very concrete example of this commitment to account publicly for our actions and to make our decisions openly. The same thing can be said about this debate.

• (1130)

Again, I must challenge my hon. colleagues from all parties to seize this opportunity and provide the government with concrete, sensible, non–partisan advice. This is a chance to really make a difference in the interest of our constituents and of all Canadians.

[*English*]

The 1995 budget demonstrated clearly and convincingly that public and parliamentary input was valued and acted on by our government. This was confirmed by the substantial public acceptance of that budget.

It must be and will be the ideas and suggestions of all members that dominate this debate. Meaningful discussion occurs most easily when there is a clear and defined context for the issues involved. When it comes to budget planning, that context is nothing less than Canada's economy and the fiscal situation of this government.

I would like to spend a few minutes highlighting some of the key points that the finance minister made in his presentation to the finance committee last week. Let me start as the finance minister did by reiterating one fundamental point.

Our government's objective is not simply to provide a better balance sheet. It is to provide and work toward a better country, a fairer society. It is an economy that more than anything else is capable of producing the kinds of jobs and growth that will enable Canadians to have faith in their future. This is a compelling reason why our commitments to fiscal health will not falter.

There is simply no contradiction between deficit reduction and job creation. Continued deficit reduction is essential if we are to get our interest rates down, interest rates that stand in the way in the creation of jobs.

The federal fiscal situation is directly tied to the outlook for the economy as a whole. I want to touch on how our economy has evolved since the last budget.

Last February the budget projected an economic slowdown as high interest rates weakened the U.S. economy. Unfortunately that slowdown came much sooner than anyone anticipated. Today however we seem to be back on the right track. The U.S. economy is poised for a moderate expansion through 1996 and beyond, a growth that will contribute directly to Canada's growth.

Domestically, interest rates have been falling. They are almost down 2.5 percentage points from the early 1995 highs. This contributes not only to spurring consumer and business confidence and investment, but also eases the cost of our debt charges.

Another harbinger of renewed growth is the fact that our cost competitiveness continues to rebound strongly vis–à–vis the United States. It is now the best that it has ever been in the 45 years that we have kept data on this particular issue. In turn, our merchandise trade balance, exports over imports, stands at $34.6 billion, an all–time high in September.

As we can see, our economic fundamentals are strong but as the finance minister warned our committee and all of us, the challenge is to keep them strong, to take the further budgetary action that will translate those basic strengths into more jobs for Canadians. That takes us to the fiscal challenge and the relationship between public debt and the economy.

Twenty years ago for the federal government the debt to GDP ratio stood at 19 per cent, ten years ago it stood at 50 per cent and today it is close to 75 per cent. The issue is not simply excessive government spending. The very nature of the ratio is the relationship between two variables. The debt to GDP ratio reveals the two things on which we believe very strongly we must concentrate. One is to keep our spending under firm control. The other is the necessity to maximize the nation's potential, its productivity, its capacity to grow and its capacity to create jobs.

I agree with the Minister of Finance. Our strategy must be based on synergy. Neither growth nor deficit reduction is sufficient alone but pursued together they can do the job.

• (1135)

This brings me to the heart of our approach, the steady pace approach based on rolling two year targets that we have adopted. In my view, these do not undercut our commitment to ultimate deficit elimination. Instead, they are a credible strategy to make sure that we get to where we have to go without throwing the baby out with the bath water. Of course we could lighten our load further, just like we could lighten a car by throwing out the engine or removing the brakes, but that would not likely take us to where we want to go.

Our government knows where it wants to go: to the destination Canadians have set for us which is to bring down the deficit firmly and consistently but in ways that sustain and enhance economic growth. That is what we are doing.

By 1996–97 with our 3 per cent interim deficit target secured, we will have halted the growth of the debt to GDP ratio. However that simply sets the stage for the next challenge which is to ensure that this ratio continues to track downward, year after year, cycle after cycle.

Meeting that challenge means more jobs. It means enhanced economic sovereignty as we free ourselves from being beholden to foreign lenders. That is why our government has mounted the largest assault on the federal deficit in Canadian history.

In the 1994 budget we took action to deliver a three year savings of $20 billion. In the 1995 budget we took even more dramatic action for a further $29 billion in budget turnaround. In both budgets the vast majority of our action items were spending cuts.

The results are already becoming clear. Last month the finance minister announced that the deficit for our first full year in office was $37.5 billion, $2.2 billion below the target set in our first budget and $4.5 billion lower than the previous year.

In 1993–94 the deficit stood at 5.9 per cent of GDP. It went down to 5 per cent last year. This year the deficit will continue to decline to 4.2 per cent of GDP, on its way to 3 per cent in 1996–97.

In order to maintain that progress, the finance minister announced last week that the deficit for 1997–98 will be brought down to 2 per cent of GDP. This is estimated to be approximately $17 billion. This means that we will have cut last year's deficit by more than half. It also means that the debt to GDP ratio will be on a downward track.

Furthermore, this means that the government's new borrowing requirements on credit markets in that year, which is the way that many other governments, including the United States, calculate their deficit, will be less than $7 billion, less than 1 per cent of GDP. This means that by 1997–98 new borrowing requirements in relationship to the size of our economy will be at their lowest level since 1969.

I have emphasized our action on the spending side of the fiscal equation but I want to reiterate that there is a second track, which is the redesign of government itself and its programs to play a better part in creating jobs and growth. It is jobs and growth and the revenue they bring to government which will also help us to ultimately eliminate the deficit.

That is why we have made improvements to the unemployment insurance program which have been the most profound in the last 25 years, bringing it into line with the labour market realities of the 1990s. It is why we are encouraging small businesses to invest and hire by lessening the regulatory burden and by improving their access to capital. It is why the govern-

ment is emphasizing trade missions around the world. Canada is a trading nation and new exports mean new jobs.

There is a companion priority to jobs for our national well–being that our budget planning must encompass. That is to sustain our social programs in the face of a changing global economy and domestic demographics.

This priority is reflected in our unequivocal support for Canada's health care system. It is also reflected in our commitment to ensure that Canadians are not discriminated against when they move from one part of the country to another and seek social assistance.

• (1140)

Let me add a few notes about the nature of Winnipeg and Winnipeg North Centre. I was first elected to represent that constituency in 1988. Many people have said to me: "You were the social policy critic of the Liberal Party in opposition and now you are working in finance. How do you resolve the two? Do you not feel as if you are doing harm to your own constituency?"

Let me state quite clearly to the House that the actions we are taking will help my constituents to have a strong province and a stronger country. It will increase the ability of governments to respond for years to come. The actions we are taking now will provide more opportunities for them than could be imagined under the present debtload.

The situation which has developed in the last 15 years has been an increase in child poverty, a high rate of high school dropouts, and the incidence of high unemployment in downtown Winnipeg. There is a feeling of helplessness, a feeling that governments cannot respond, that governments have neither the energy nor the ideas to develop a stronger economy.

I want to assure my constituents that uppermost in my mind, as I carry on in the position as Parliamentary Secretary to the Minister of Finance, is the impact of these actions on their lives. I know that by the way we are gradually reducing the deficit we will not harm the ability of the federal or provincial governments to respond to their needs.

There is in the public debate a great deal of noise about the impact of cutbacks on the provinces, about the impact of social transfers. Let me again assure everyone that every thought was given to minimize the impact on provinces such as Manitoba, Saskatchewan and other poorer provinces across the country so that they could retain the fiscal capacity to respond and deliver appropriate health care and social policies to our people. As the government regains its strength it will be able to respond even more clearly and strongly to ensure that there are job opportunities, school opportunities and a lifestyle we can all be proud of.

Let me conclude on the same note as I did over a year ago. For many years when it came to decisions on the economy and our fiscal dilemma, the federal government too often took the easy way out leaving the hard choices to another day. That has not been our path. We have made the hard choices and taken real action to bring the deficit down sharply. We have also taken measures to boost economic strength and a real commitment to sustain the social safety net Canadians from coast to coast to coast cherish.

The struggle is not over. We have more to do and further to go to complete our fiscal freedom. We must continue to set priorities for where the government can and must act to help growth and jobs.

This is where we came in today. On behalf of the government, I encourage hon. members to share the ideas and concerns that we can work together on to ensure a strong and prosperous Canada.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I would like to congratulate the Parliamentary Secretary to the Minister of Finance on his excellent speech. If only it reflected reality, it would be fantastic, but it does not. Coming back to the Liberal majority interim report on prebudget consultations, I would like to read to you a few lines of this whole report, which are quite telling and which distort the premises of this debate.

The last paragraph of the interim report on prebudget consultations, the Liberal majority report, reads as follows: "The Committee recommends that this House support the real and sustained progress being made on deficit reduction, while maintaining a balanced approach".

These few words seem to indicate that the government is taking the people of Quebec and Canada for fools, but that they are not; this is an insult to their intelligence.

• (1145)

The fact of the matter is that, in light of the actions it has taken over the past two years and the direction it is taking for the next three years, the government does not score well in terms of financial administration. Why not? Because the Minister of Finance will be meeting his targets in 1995–96 and in the following years at the expense of the unemployed, welfare recipients, students and those who are sick.

When the Minister of Finance tells us that, in 1995–96, his deficit will reach $32.7 billion, we have to add to this $32.7 billion the $5 billion he snatched from the UI fund surplus.

When he talks about having largely exceeded the deficit reduction target for 1996–97 set in his last budget, when he talks about the deficit being brought back down to $24.3 billion in 1996–97, once again, we have to add another $5 billion in funds snatched from the UI fund surplus. I remind the House that, since 1990, the federal government has not paid a dime into the UI fund, which is fed by employees and employers through their

premiums. The Minister of Finance makes himself right at home, snatching from the UI fund surplus an amount of $5 billion that must be added to his 1996–97 deficit figure. Beside the $5 billion drawn from the UI fund, federal transfer cuts must also be taken into consideration. In 1996–97, these cuts will total approximately $2.5 billion.

Therefore, if we figure out the total for next year, that is if we add to the $24.3 billion deficit mentioned by the Minister of Finance in his economic statement the cuts in transfers to the provinces, as well as the surplus in the UI account, we arrive at an actual deficit of $31.8 billion for 1996–97.

The same is true for 1997–98. The Minister of Finance paid a visit, with great pomp, to the committee last week and showed us, with his usual imposing presence, all kinds of nice and colourful diagrams and graphs. He told us that not only will he meet his budget goals but that, in 1997–98, he will be able to bring the federal deficit down, to 2 per cent of the GDP, or $17 billion. Again, the Minister of Finance does not tell the whole truth.

The government is hiding some facts. Indeed, to this $17 billion deficit we must add $4.5 billion in cuts, which is a way for the federal government to offload its problems onto the provinces. Mr. Speaker, we are talking about $4.5 billion. The federal government dumps its deficit reduction responsibilities on the provinces, to the tune of $4.5 billion in 1997–98. Then, we must also add to that amount a $5 billion surplus in the UI account, which the Minister of Finance and his government will take from the UI fund.

Therefore, far from standing at $17 billion, as claimed by the finance minister and his secretary of state, the actual deficit in 1997–98 will total $26.5 billion.

When you look at all this you wonder what the Minister of Finance has done in the last two years to really provide leadership and sound management regarding Canada's public finances? What has he done? Nothing. The minister was content with taking, if not stealing, the UI surpluses. He was content with offloading his responsibilities onto the provinces, and, regrettably, he was content to solve his deficit problems on the back of the unemployed, the welfare recipients, the sick and, soon, the elderly.

These are the corrections I wanted to make following the finance minister's snow job, which was added to this morning by his secretary of state.

• (1150)

How does the Minister of Finance manage to get these surpluses in the UI account, which will be $5 billion this year, $5 billion next year and $5 billion the following year?

He uses an approach which is twofold. First, as we saw with the reform introduced by the Minister of Human Resources Development, which I consider to be a human tragedy, the minister came up with a plan to tighten UI eligibility criteria. In so doing, not only was a surplus created, but also the responsibility ends up dumped into the backyard of the provinces, as literally whole families, thousands of families eligible in the past for unemployment insurance, end up on welfare year after year.

For Quebec alone, the Quebec department of income security estimates that no fewer than 10,500 additional households will end up on the welfare rolls in 1996–97 as a result of the tightened UI eligibility criteria which have been decreed by the Minister of Human Resources Development, lauded by the Minister of Finance, and backed by this government, one which has not shown a once of compassion in the two years it has been in office.

In 1997–98, the tightening up of UI will force an additional 26,500 households, 26,500 Quebec families, onto welfare. A further 27,500 Quebec households will be added in 1998–99. A sad thing to contemplate.

The second equally heartless approach this government is using to create a surplus in a fund into which the government has not put a red cent for the past five years is to maintain high contribution levels for employees and employers.

The public is entitled to know that contributions at this time represent $2.95 for each $100 of insurable earnings. The Minister of Finance could have reduced that figure, this very year, from $2.95 to $2.93, thus creating no fewer than 12,000 new jobs and meeting his deficit objectives for the coming year and the year after that, but he preferred to sacrifice 12,000 jobs by maintaining contribution levels at $2.95 per $100 of insurable earnings, instead of dropping them to $2.93. That is how they claim to have achieved the goal of sound and balanced administration of public finances that we all are seeking to achieve.

As I have already said, the main victims of the two years of Liberal reign have been the jobless, the welfare recipients and the students. Before long, as the Minister of Finance disclosed during his appearance before the finance committee, it will be seniors whose necks are on the chopping block.

Among the Minister of Finance's objectives, as revealed in his last budget, is a review of the Canada Pension Plan. Now, having tightened up UI eligibility criteria, he is focussing the same attention on the pension plan.

But why make such a mess of things? Why reduce the federal government's deficit by creating a very substantial social deficit? There are other options. The Minister of Finance has other options than skimming the surplus off unemployment insurance. He has other options than offloading the deficit on the provinces and, in the process, on students, welfare recipients and those who are ill. He has other options than preventing the creation of

thousands of jobs by keeping unemployment insurance premiums unduly high. He has other options than attacking senior citizens.

• (1155)

And one of those options, one we have kept repeating for more than two years, is a thorough reform of corporate taxation. We keep telling him, but it was not until others started saying the same thing that the minister realized that, perhaps, something could be done in that area. However, there is still a lack of political will to do so. Once again, the people of Quebec and the people of Canada are not being told the whole truth.

Until 1987, the Department of Finance published statistics on Canadian businesses that made a profit without paying taxes. In 1987, the last year for which figures were available, 93,405 businesses had made profits totalling $27 billion without paying taxes. After that, do you know what they did? The Department of Finance, the Minister of Finance at the time and today, the current finance minister, were so ashamed of these figures and how they multiplied, because they tripled over a period of seven years, that they stopped publishing these statistics.

According to a report from the Department of Finance published last year, in December, if I am not mistaken, 288 tax measures were available to Canadian businesses, 288 measures they could use to avoid losing part of their profits to federal taxes.

Let me tell you about two of these measures which the Minister of Finance, if he had the political will to do so, if he were not himself directly involved in the wonderful world of big business, could set in motion immediately and plug the holes in the tax system with little effort.

First, there is the income tax return, and then there are tax havens and the lack of fiscal measures to prevent Canadian businesses from using countries considered as tax havens as part of their tax planning.

With respect to the tax return, allow me to quote from an excellent study done last September by Professors Bernard, Lauzon and Poirier, three researchers for the department of accounting sciences at the Université du Québec in Montreal.

In connection with a study of 438 businesses, they say, and I quote: "Of the 438 businesses included and analyzed in our study, we found that 200, or 46 per cent, actually paid less than 20 per cent of their profits in income tax in 1992. Two hundred businesses managed to pay less than 20 per cent tax, because of the tax return. Of these 200 businesses, 30, or 6.8 per cent of the sample, received tax refunds totalling $126 million, despite profits of $200 million".

These 30 businesses received tax refunds of $126 million, despite profits of $200 million. Does this make sense?

My quote continues: "It is also noted that 51 businesses paid no income tax—0 per cent income tax—despite $282 million in profits before taxes. Of the 200 companies, 72, or 16.4 per cent, paid less than 10 per cent tax. Thus before tax profits of $2.2 billion gave rise to actual tax payments of $130 million, or approximately 6 per cent income tax."

This is not considered unusual. The government considers this usual. The Reform Party is mum on the subject, their nest having been made long ago. They do not find it unusual that such businesses make huge profits and do not pay a cent in income tax, or almost none. It is acceptable for these business to use 288 measures to get around having to pay and for the government to make drastic cuts in unemployment insurance and in transfers to the provinces for welfare, post–secondary education and health care. For the Liberals and the Reform Party this is fine, just as it is to continue with a tax system that no longer makes any sense.

• (1200)

It makes no sense when we look not only at these facts but also at the market emerging for the exchange, the sale of tax losses. These classified ads can be seen every day in the newspapers, as I have said repeatedly over the past two years. The *Globe and Mail*, the *Financial Post*, *The Economist*, all financial and business magazines carry ads like this one: "Tax losses for sale".

Just imagine, they are no longer selling goods and services but tax deductions. The ad goes on to say: "Our client, a cosmetics distributor with large tax losses and undervalued assets seeks a buyer who can use his tax deductions. Discretion assured". I should hope so, discretion assured. They should be ashamed of themselves. "Please contact—"I will not identify the company but not because I am not tempted to do so.

I find it simply outrageous that, faced with this evidence, the government, the Minister of Finance, the Reform Party can hide the reality of tax evasion from the population and not have done anything in the last two years to close the loopholes. Another way for large corporations and high income people to avoid paying their fair share to the federal government is to use so–called tax havens.

An article in last June's *CA Magazine*, the magazine for Canadian chartered accountants, urged large corporations and very high income individuals to create companies in countries regarded as tax havens. It urged Canadian chartered accountants to create these phoney companies in tax havens such as Bermuda and some Caribbean countries so that they can shelter their millions of dollars in profits and avoid paying taxes to the Canadian government, or pay very little.

That is a lot of money. In 1992, the auditor general talked about $16 billion in revenue lost to those countries regarded as tax havens; $16 billion is a lot of money. Although all individuals are required by tax laws to report all the money they make outside Canada, corporations and businesses are not. They are not required to report their income outside Canada.

The hundreds of millions, even billions of dollars in profits, as the auditor general said in 1992, that go through the phoney companies set up in these tax havens are not taxed. The profits are sent back to Canada without being taxed, so that thousands of Canadian businesses, most of them large corporations, do not pay one penny of tax while making billions of dollars in profits.

I do not understand why the Minister of Finance has not yet initiated a corporate tax reform, as we have been asking him to do for the past two years. He should do it, if only to be fair to businesses that do pay their taxes, to the majority of businesses—we all know entrepreneurs—with a sense of corporate citizenship.

He should also do it to be fair to those businesses that see other businesses, like the ones I just mentioned, get away with not paying a cent in taxes when they, on the other hand, are bled dry, especially since 1990, to be good corporate citizens, and when individual taxpayers are even worse off than businesses, paying taxes year in year out, while being affected by all the cutbacks, like the ones announced by the Minister of Finance, that were made since 1984 to the UI fund and to federal transfer payments. At the end of the day, it is always the same people, the taxpayers, who foot the bill for these inhuman measures, which border on incompetence in improving public finances as planned.

• (1205)

We are always accused of getting on the case of banks. Well, they will come under scrutiny because, when we look at tax havens and at what the six major Canadian banks are doing, it is outrageous. Is there nothing wrong with these banks being allowed to use such tax havens to avoid paying taxes to the federal government?

There are quite telling figures in this regard. Just the other day, officials of major banks were close to tears, saying: "We have to pay taxes. That is terrible. They are strangling us". Banks will make $4 billion in profits this year, and they are complaining about being strangled.

Is it normal that the Scotia Bank, for example, has more branches in the Caribbean alone than around the world? Scotia has 33 branches in the Caribbean, in small countries that are generally viewed as tax havens. Thirty three branches. It has one branch in America outside the Caribbean, five in Europe, seven in Asia—I would say there are quite are few more people, potential customers, in Asia than in the Caribbean—but 33 in the Caribbean.

It is the same thing with CIBC: seven branches in the Caribbean. Same for the Royal Bank: ten branches in the Caribbean. There are even countries with a population of barely 60,000 where Canadian banks have four branches.

Is it normal to put up with that? Is it normal to let these banks take advantage of tax loopholes to transfer hundreds of millions in these countries, take the profits back home, not pay any federal taxes, and then announce with great pump, as they did one after the other last week, record profits for 1995? This no longer makes any sense.

In view of this situation, it is not surprising that, since 1950, the fiscal contribution of Canadian companies, unlike that of individual taxpayers, has been shrinking and is now next to nothing.

Let us take a brief look at history. In 1950, companies paid 23 per cent of all taxes collected by the state, compared to 24 per cent for individual taxpayers. In other words, the contribution of companies and individual taxpayers was essentially the same.

And what were these contributions in 1993? The federal government collected 52.7 per cent of its taxes from individuals, compared to only 6.5 per cent from companies. That change alone should make us wonder. It should make the Minister of Finance, as we have been asking him to for two years, undertake, with our assistance, a comprehensive and in–depth review of the corporate tax system.

But this is not all. On December 8, it was mentioned in the daily *La Presse* that companies should pay more taxes. The article read, in part: "Corporate tax represents a smaller proportion of the GDP in Canada"—a comparison was being made with the United States— "and this gives us reason to believe that it might be possible to reduce some of the tax benefits granted to Canadian companies".

Who expressed that view? It is not leftist groups, nor the Bloc Quebecois, the unions or some progressive organizations. Do you know who said that? It is the International Monetary Fund, which is a group of very conservative analysts, conservative not in the political but in the philosophical sense of the word. These people usually ask the Minister of Finance to cut twice as deeply as he actually does in federal programs and expenditures. But this time, the IMF is asking the minister to review the corporate tax legislation and perhaps impose higher taxes on companies, at least those that do not pay their fair share, and there are a quite a few of them.

There is a gap between what goes on and what we have been asking for two years from the Minister of Finance. If the minister really wanted to show some leadership in putting our fiscal house in order, he would not target the poor. He should take a comprehensive approach regarding this issue. When we speak of fiscal consolidation, this means not only expenditures but also tax receipts, revenue.

• (1210)

Is it possible, from what I have just demonstrated, that the Canadian tax system may be in need of an overhaul? That it may be time to do some tidying of corporate taxation, after 30 years of adding on and taking off new measures, top–loading as it is termed? If only out of a need for fairness, as I have said, for those who pay their taxes as opposed to those who do not, as well as to streamline the system.

Two years ago, I asked the library for some reference books so that I could know all there was to know about taxation. I do not think my office could have held all of the documentation I would have had to read to be an expert like those folks who get half a million dollars a year to advise businesses to open up branches in tax havens, or those who write in *CA Magazine*.

For all of these reasons, the Bloc categorically rejects what the Liberal majority report states concerning pre–budget consultations. I would like to indicate four approaches the Minister of Finance might use in preparing his next budget.

The first is absolutely vital: the Minister of Finance must reform the corporate taxation system.

Second, as the Quebec Finance Minister asked this week, the federal government must forget about the Canada social transfer for Quebec and give it tax points, in order to eliminate duplication and overlap in the management of this reality, thus enabling Quebec to assume the responsibilities the federal government has abdicated with respect to the most disadvantaged in society. Quebec can take over and do much better.

Our third suggested measure: further defence cuts. Another $1.5 or 2 billion could well be cut as early as next year. This is something the minister can and must do.

As for the fourth measure, we are asking the Minister of Finance to stop dumping on the jobless, welfare recipients, students and the sick—as well as the seniors who are about to be added to their ranks.

These are the four points the Minister of Finance and his government ought to be guided by, after two years of showing absolutely no compassion toward the most unfortunate of our society, while boasting of how well they are handling public funds, this is nothing but smoke and mirrors.

[*English*]

The Deputy Speaker: Pursuant to the agreement, the hon. member for Capilano—Howe Sound will now speak for 30 minutes, without questions or comments, on behalf of the Reform Party.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I am pleased to rise today to offer the Reform Party's first comments on the preliminary report of the finance committee's prebudget hearings which was tabled today.

To come right to the point, Reform considers the report's budget recommendations to be too timid. The proposed deficit target of $17 billion or 2 per cent of GDP in 1997–98 is totally inadequate.

I remind Canadians that even two years from now the government plans to add $50 million per day to the debt, which by then will be over $600 billion. This amount is $2 million more per hour than it collects. Currently the government is spending $4 million more per hour than it brings in.

In addition, the absence of a definite date for complete deficit elimination is very undesirable, as is the failure to announce any plans for tax reform and reduction.

In the Reform Party's minority report we set out our alternative recommendations to the Minister of Finance: cut spending sufficiently to achieve a deficit of $12 billion or 1.5 per cent of GDP for fiscal year 1997–98.

It is important to recommend announcement of a budget in balance or in slight surplus in election year 1998–99. In addition, we suggest the minister offer Canadians hope by the promise that budget surpluses generated by economic growth in the following years will be used partly to reduce taxes and partly to lower the debt.

• (1215)

The proportion in which this is done will have to be decided, but a definite commitment to this kind of plan is necessary in order to prevent the successive pressure for using surpluses for further increases in spending.

We urge the minister to initiate plans for the introduction of a simplified tax featuring a single rate with a generous personal and spousal exemption, thereby restoring fairness, visibility and efficiency. This simplified taxation system would end the nightmare of the GST.

Before I present our reasons for opposing the government's recommendations and offering our own, I want to raise a point which troubles me greatly. If the past is any guide to the future, many speakers in the House will attack the fiscal plans of the Reform Party on the grounds they are slash and burn and show a disregard for the welfare of the most needy in society.

This attack is balderdash. Our program is not slash and burn. No one in the House has a monopoly on compassion. We propose our program precisely because we care and want to preserve Canada's support for the neediest. We defer with Liberals on the merit of cutting today versus cutting tomorrow and a number of other mainly technical issues of economic management.

I will discuss these issues and hope that Liberal members will similarly stay away from denouncing moral standards of others and proclaiming the superiority of their own. All Canadians will benefit if they do.

With this preliminary out of the way, let me now turn to discussion of Reform's position in favour of the more rapid elimination of the deficit. In developing this position, I draw heavily on ideas which were advanced by the IMF, several Canadian think tanks and a large number of business leaders, economists and private individuals in their presentations to the finance committee.

We recommend the elimination of the deficit by the end of the government's mandate because it reduces the risk that some threatening event will once again increase the deficit to the point at which the debt grows more rapidly than national income. As more and more Canadians realize, when this happens we find ourselves in the unsustainable situation in which we need to borrow ever increasing amounts to pay the interest on the ever growing debt. To use analogies that have become so popular, we would not be on a treadmill standing still. The treadmill would keep speeding up making it more difficult to keep up with it.

One threatening event pointed to by witnesses is the downturn in economic activity certain to take place before very long. Another threat stems from the traditional reluctance of governments to enact spending cuts in an election year. Concerns were expressed about the consequences of another Quebec crisis which could result in large increases in the interest on the government's debt and thus aggravating the deficit position again.

The second reason we recommend presenting a target for a balanced budget is it signals to capital markets the government's political courage and determination. As many witnesses noted, if the government did so, capital markets would reward Canada by eliminating the risk premium on the interest rate they now demand.

In a speech a couple of days ago, the Governor of the Bank of Canada in his technical capacity noted that one of the big problems Canada faces is the risk premium that puts the Canadian interest rate above the U.S. rate due to the deficit and a lack of a signal by the government to come to firm grips with the deficit.

If we went ahead and the result was a lower interest rate it would then stimulate housing and other interest sensitive demand. The increased economic growth and tax revenues would move Canada into a virtuous cycle for a change of smaller deficits, even lower interest rates and more opportunity for tax cuts and debt reduction. This is not fantasy. This is an idea supported by many witnesses who appeared before the finance committee.

• (1220)

The government's rolling or shifting target of slow deficit reduction offers the worst of both worlds. The cuts create unemployment and uncertainty which make consumers reluctant to spend and slow economic growth. At the same time, capital markets are reluctant to reduce the risk premium on interest rates because the cuts are too small and there is no definite date for the elimination of the deficit. We heard that argument in the finance committee again and again.

The announced target of a $17 billion deficit in 1997–98 carries another risk. The careful analysis of the effects of economic growth, interest rates and spending cuts already announced suggest that with any luck and the proper treatment of the precautionary reserve this target is attainable with additional cuts of as little as $1 billion. It may be more, but it could conceivably be done by cutting an additional $1 billion. For the sake of all Canadians, I hope capital markets will not interpret this fact as evidence that the government has lost its nerve and more than two years before the election plans no more spending cuts to balance the budget. If they do, the risk premium on interest rates is sure to rise and the deficit will be even larger.

Third, we believe the complete elimination of the deficit by 1998–99 does not involve slash and burn. As the Minister of Finance found out during the referendum campaign with his reference to job losses of one million due to separation, hyperbole may be rhetorically satisfying but it has its risks. The IMF and numerous other analysts have noted that many billions of old age security and UI benefits go to Canadians who by all acceptable standards can do without them during this period of national emergency. This is a national emergency.

With a little political courage, reduced payments to high income earners would permit the complete elimination of the deficit without the need to cut into the support for Canadians with true needs and into other spending programs of the sort discussed by the finance minister in his report which yield high economic and social return.

We believe the Prime Minister's decision to rule out any and all cuts to these social programs, made on the eve of the referendum campaign for whatever political or ideological reason, very much harmed the broad interests of Canadians. I predict history will not be kind to him on this matter. It certainly has put the Minister of Finance in the position in which he will have to make some cuts in otherwise desirable government programs and all Canadians will suffer.

In this context it is important to note that the Reform budget would not harm but might increase prosperity in employment. This is so because on the one hand the recommended spending cuts of 1.5 per cent of GDP are only one–half of the normal economic growth of the 3 per cent per year which was made famous by the red book. On the other hand, the lower interest rate and the restoration of confidence in the country's fiscal future which the Governor of the Bank of Canada talked about would stimulate demand more than that lost through the cuts.

The fourth reason for presenting our program is that the delay of spending cuts results in the accumulation of more debt, which in turn necessitates higher interest payments and even more cuts in program spending in the future. This is illustrated dramatically by the realization that in this fiscal year total government spending has remained unchanged from last year at $120 billion in spite of cuts in program spending of $11 billion. The cuts were eaten up by higher interest.

• (1225)

More dramatically, if the government had made serious cuts in the first budget early in 1994, as Reform had recommended, it could now announce a surplus at the end of its mandate without having to make further cuts. The country's debt would now be much lower and the level of program spending would not have to be reduced as much as it will have to be done even now.

This means ultimately the Liberal approach to balancing the budget will necessitate lower spending on social and other programs than does the Reform approach. Note the irony of it all, Liberal backbenchers. Note that the minister would not have had to do what he did in his report, announce the need to renege on red book promises on the maintenance of social spending and other programs so loved by Liberals who believe the government is a source of everything good in this world.

Let me quote one sentence, a hidden way of reneging on the red book: "On these two central priorities, more jobs and more social programs, we would be less than candid today if we pretended that we are doing all we would like". Substitute "all we would like" for what they promised in the red book and we will see how in a sneaky way red book promises are being abandoned.

I have a comment on our proposed rate of spending cuts. Canadians are becoming cynical and discouraged. They have been hammered for years with talk about spending cuts. Every day they learn about more layoffs, reduced government services and higher taxes accompanied by reports that the deficit still adds millions to the debt every hour. No wonder they are worried and do not spend enough to create the economic boom we should have right now, so many years since the end of the recession.

All of our prosperity, all the job creation the Liberals are bragging about that took place since they took over were the result of a booming economy in the United States. All of our output growth was driven by exports. They were lucky.

People are not spending because they have no confidence. Canadians need confidence but they also need hope. They need to see light at the end of the tunnel. The failure to accommodate these aspirations of Canadians is perhaps the greatest shortcoming of the Liberal budget plan and one of the greatest strengths of the Reform alternative.

We offer a general reduction in the tax burden out of the revenue surplus which will be sure to materialize once the deficit monkey is off our backs. We are offering a lowering of the debt burden so that even more tax cuts can be enjoyed in future years.

We offer these tax cuts in the context of tax reform which would eliminate the abomination called the GST. We would offer hope for the young generation which will be burdened with this outrageous 75 per cent of GDP, $600 billion or more of debt probably by the time the government gets through with its timid cuts, a trillion dollar debt and the interest on it.

I recently attended a conference on the future of our social security programs and the problems caused by the baby boomers. By the year 2030, some actuaries are saying, just to deliver on the already existing promises for old age security benefits, on medicare and on CPP we will need to raise $50 billion. This $50 billion will have to be raised by a generation that has fewer people of working age than we have right now.

They will need an increase in their personal income taxes by 50 per cent.

• (1230)

The young generation should be on the barricade. We have to work on the social security program we are leaving as a mandate to future generations. Another thing we can work on right now is that extra legacy, almost a trillion dollars worth of debt, and if we combine the provincial and the federal debt, that figure is easily reached. It will at least be that much if there is a recession, and then some of the other contingencies that witnesses have talked about will be realized.

It is one of the great hidden scandals that we in this House are borrowing and are forcing it on a yet unborn generation and young people who are too occupied with making a living. Our debt burden is the greatest in the history of this country and is one of the greatest in the history of the world. People who cannot vote are being asked to tax themselves so that we can live beyond our means.

No wonder we are getting rave reviews as being the greatest country in which to live. Any country can do that as long as it has credit and is prepared to borrow from as yet unborn generations. Live and blow it, have a great life for everyone. Get yourself a glowing report in the United Nations. It is okay that it is done on

borrowed money. Those young people do not have any vote yet. That approach is the ultimate in cynicism. I find it unbelievable this issue is not being raised. We have been promised a white book on pension reform. Nothing. They are too timid to even raise it. It is one of the greatest scandals we are going through at the moment.

It will take another 20 years when this crunch will begin to hit. Twenty years is nothing, yet it is not being discussed at all. When it comes to one portion of that unbelievably horrendous legacy we leave for our children, grandchildren and as yet unborn generations, we hear: "Oh, no, we cannot be too tough on Canadians who are making $50,000 a year on old age security benefits. We promised it to them".

We could ask Canadian pensioners who are making over $50,000 a year in today's dollars: "Do you know what kind of a burden your generation and the generation sitting in this House is passing on to your children and grandchildren? Do you not think we ought to share and get together to make sure it is not as big as this?" I believe if I spoke to audiences and pointed this out, they all would say: "Yes, I am prepared to take a little cut in my income". That is all it would take. The IMF and everybody who looks at these numbers points out that it would not take a great deal of sacrifice to do this.

What does the Prime Minister do? Probably without consulting anyone he commits his government never to do what everybody says is necessary. I hear Canadians saying that we should be doing it because it is not right to burden future generations, our children and grandchildren, with the amount we have.

In concluding my analysis of the government's prebudget recommendations, let me note that the views I expressed were shared by a large number of witnesses who appeared before the finance committee. They reflect the concern of those who argued for the preservation of our country's social security net. I am sure they are shared by a very large segment of our population. I am truly sorry they are not shared by the Minister of Finance, cabinet and Liberal backbenchers. How good it would be for Canada if they did.

• (1235)

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I find it interesting to speak following the slash and burn speech I just heard. Let me say to the hon. member that this government instead of just listening to the IMF and taking its direction, listens to the Canadian people and tries to meet their needs through the budget that we propose.

I will begin by thanking the members of the Standing Committee on Finance for their efforts in terms of holding prebudget consultations across the country. On November 27 the finance committee conducted prebudget hearings in my province of Prince Edward Island. That gave the opportunity for many island groups and individuals to present their views on the direction the government must take when designing the 1996 budget. Their views will certainly assist the committee in preparing its recommendations for the minister. I want to thank those islanders who took the time and the effort to think through the briefs and to present them.

There is no question about it, the round table in Charlottetown put forward many views and recommendations from all sides of society. It is crucial that the government listen to what those presentations said. We had to find a balance between the massive job of deficit reduction and our social obligations to all Canadians. I would like to quote a couple of remarks from those presentations because they do differ from the left to the right of the political spectrum.

The Charlottetown Chamber of Commerce put forward its position that "the deficit must be reduced more rapidly with tough but attainable targets being clearly set out and achieved". It does go on to state though that "the entire program could take over 25 years. Given that we have had 20 years of overspending to arrive at our present position, such a time frame for debt elimination is both appropriate and manageable". As well, the chamber of commerce suggested four points: continuation of privatization; harmonization of the GST and PST; doing away with jurisdictional overlaps; and changing the annual filing system to perhaps two or three years in order to save money.

A different presentation from the opposite side of the spectrum came from John Eldon Green. He said: "I am not one of those who believes the new disentanglement can be achieved according to the rapid schedule of the finance minister or those around him, or indeed of the entire financial community in Canada. I would get us out of debt the way we got into it, slowly, gradually and over the long term. What is now being attempted is entirely counter to the creation of an environment for jobs and growth", from his point of view.

Mr. Green went on to say: "The issue for me is: How much money is there in Canada and what is an appropriate amount to be left with the people, allocated to governments and devolved to other countries? Our borders have to remain open to business, but I have trouble seeing the jobs and businesses of people around me being sacrificed in the cause of global business and undertaxed profit. However I do not know the numbers but then no one in Ottawa these days seems to know anything but". I think it is a valid point.

The view of priorities that governments should set for themselves is not disputed. We as a government must also recognize

that if they are achieved at the expense of social programs on which all Canadians depend, then this quick fix is much too high a price to pay.

There are basic programs that benefit all Canadians as well as the business community: educational programs, medicare, et cetera. Yes, these programs do cost money but we can have a debate on whether it is a cost or an investment. I see these kinds of programs that this government is pursuing as an investment in the people of this country to ensure they have the means by which to work in the job community in the future.

In fact many of these programs that we have as a Canadian government today are an asset to the business community in terms of its members being able to compete abroad.

• (1240)

We must maintain the level of social programs we currently have. They are one thing that unites us as a country and why this country is recognized as the best country in the world in which to live.

The approach taken by the minister to date has been a reasonable one. The minister's statement last week showed the progress we are making. Some, like members of the third party we just heard, like to blow the deficit out of proportion. Somehow they disregard the needs of people. They like to blow the deficit out of proportion and negate the progress we have made. Clearly, we have made progress.

The 1994–95 deficit was $400 million lower than predicted. We are on track to reduce the deficit to 3 per cent of GDP by 1996–97 in a timely and reasonable way. In my province in November 1995 the unemployment rate fell to 12.2 per cent, down more than 6 per cent from the 18.5 per cent when this government took office. Retail trade has strengthened through 1995 and outperforms by far the national level.

Given that kind of progress, we now must undertake and make a much greater effort to better balance the social side of the equation. Yesterday's announcement by the Minister of Human Resources Development is a move in the right direction in terms of increasing child care spaces in the country.

In terms of the social and tax balance on the tax expenditure side, a loss of tax due to a tax break either to corporations or to the wealthy is as much a cost as the direct expenditure of dollars under government programs. To date, governments at all levels have tended to target the direct expenditures and too much have ignored the tax expenditures. It is very important in this budget to try and balance that.

I know it is not easy in the face of the current attitudes that are prevalent throughout the country and throughout the world. I want to quote from Peter Newman's book, *The Canadian Revolution*:

> "The values of the marketplace have infiltrated every institution in Canada: the family, the church, the legal system—. Anti–human, commercial values are dominating every sphere of life. Now that we're coming into economic hard times, the sense of each man for himself—save your own skin, get whatever advantage you can—is going to sink public spiritedness and make it much more difficult to preserve our sense of obligation to community".

I make that point to stress the kind of attitudes that are out there at the moment. Those are the kinds of attitudes that are coming from the Reform Party. Real leadership by the government in the face of that hard nosed attitude is required. The Parliamentary Secretary to the Minister of Finance mentioned earlier the action necessary which the government is taking to address the concerns of people.

The employment insurance proposal was one that was mentioned. I do want to point out that I hope two measures in that bill can be changed. One is the intensity of work rule and the other is the calculation of the benefit base. We must ensure coming out of this budget and the policy objectives of the government that the seasonal industries do have the opportunity to grow and prosper.

In conclusion, let me quickly list some of the initiatives I would like to see furthered in the next budget.

We must start to develop a program that deals with child poverty. Expansion of the infrastructure works program should also be considered. It has been an excellent program. In fact, it has put in place a base for businesses to develop and grow.

The major industries in Canada are still the natural resource industries. Although we hear much about the knowledge based industries and the technological highway, it is important that we not ignore those natural based industries: agriculture, fisheries, forestry and mining.

• (1245)

As well, we need to enhance and strengthen the ability to market products internationally. We need to renew our commitment to the great marketing institutions across this nation, the Canadian Wheat Board and the supply management boards which have brought prosperity to communities and continue to contribute to the balance of trade.

We need to continue to maintain and strengthen our regional development programs and, in my area specifically, ACOA. I will make one point on ACOA. Since 1993, ACOA's programming and partnering with the provinces and the private sector has created and maintained over 46,200 jobs. It has assisted 5,300 businesses. It has a proven track record in small and medium size business development.

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, I begin my remarks by noting that this is the third year in a row that members of the House have been invited to participate in a prebudget debate. They have been asked to share with the Chamber and certainly to share with the Minister of Finance their particular points of view, their advice and their concerns

about the direction and the hopes for our country and its fiscal circumstances.

I will make my remarks from two points of view today; one, as a member of the Standing Committee on Finance and, second, as the member of Parliament for Brant. I have recently met with my constituents at one public meeting to talk about the budget and will meet with them again early in the new year to collect more input and advice.

From the point of view of a member of the committee there are three things that have struck me over the course of the prebudget consultations that have been under way since September. First of all, it is very clear to me that there is a different tone in the representations that are being made at the committee table this time around.

If members recall, last year at this time the newspapers were full of the issue of the budget and the fiscal circumstances. As members of Parliament, we were receiving all kinds of representations from constituents and lobby groups about what we should and should not do, what our strategy should be and what our approach should be.

Very soon after that, in fact as soon as the budget was tabled, all that frenzy melted away because the Minister of Finance had listened. He responded to Canadians. He addressed their concerns with a very effective budget.

That calmness, that understanding, that support for the approach to budgetary strategies continues. The tone since September has been a measured tone, a very supportive tone, one that shows appreciation for the approach the government has taken. It shows appreciation for the strategy of rolling targets. It shows acceptance that the government is going to make its commitment of reducing the deficit to 3 per cent of GDP. It shows support for the fact that conservative assumptions are taken into consideration when preparing the budget package. It shows acceptance of the notion of having a contingency reserve so that as the economy's cycles work their course, that fund will keep us on target to meet the goals that have been set.

The Minister of Finance came to the committee recently and indicated that for 1997–1998 the deficit goal would be improved to 2 per cent of GDP. I strongly support that strategy. I would encourage him again to use conservative assumptions as he prepares his budget for 1995–1996.

The committee was told in several ways and several times over the course of the budget hearings, by economists and members of the business community, not to forget that Canada is in a cycle and we can anticipate somewhat of a downturn in the near future. I would encourage the minister to consider maybe increasing the contingency reserve that has been addressed to date.

This is all good. The tone is solid. It is supportive of our approach.

There is something else that is interesting. In this set of prebudget debates the focus has turned away from being solely on the deficit to actually talking about the debt. What that says to me is that Canadians are quite confident that the first strategy, the hurdle of the deficit, has been managed and now they want to continue on with good, sound fiscal management and start to attack the debt.

The minister spoke about that, as did many witnesses as well. It is a process, an evolution, a confidence that the government is moving in the right direction.

• (1250)

Third, I would like to point out the issue of quality. The presentations that have been made to the committee over these last few months have been exceptional. They were even better than last year. We in the committee are starting to learn more effective uses of the consultative process. We used the round table as the hon. member before me noted. It is a very effective way of getting Canadians to come together and understand the different perspectives and concerns that people have, their needs and requirements.

However, I would point directly to some of the sectors in our community which have worked so hard to pull themselves together and build a consensus before they come to committee. When they come to the committee they have a single voice. They are very clear in what they are looking for and they make a very pointed and accurate intervention.

The health community came together under HEAL and presented its suggestions to us so that a strong and healthy Canada Health Act can be maintained.

The voluntary sector has done an incredible job over this last year bringing dozens of groups together to build a consensus. It stated that these groups were building so they could be considered as a voluntary sector in this economy. It made some very good representations and suggestions to us that will help us to encourage donations at the moderate level and at the high level from businesses. We have to listen very carefully to this group's representations and give it some time because it is coming together and will provide Canadian society with very valuable contributions and partnerships that should be supported.

I also think of the coalition for private and public partnership where the private sector has come together with public partners and said that they can work together in this notion of privatization–commercialization in identifying where the effective partnerships can be built.

These are the kinds of things that Canadians are doing now as a result of the government's approach to managing the country's fiscal requirements. They are moving in the right direction and I am proud of it.

I would now like to turn to the messages that my constituents are giving me back in the riding of Brant. As I said, we met late in November with a very interesting group of people from all sides of the political spectrum. The message was loudly and clearly heard that Canadians in my community want us to continue on the deficit reduction track, to move toward dealing with the debt, to do it without raising personal income taxes and to manage it on the spending side.

In Ontario, people in my riding are now able to juxtapose the different strategies. The government's strategy is of a balanced, measured, thought out approach that is timed and pitted against goals that are set versus the strategy of the provincial Tory government, in fact almost Reform government, taking a slash and burn approach. There are two different ways of getting to the end and Canadians are saying to do it in the Liberal way.

I need to tell members about individuals in my riding who have suffered as a result of the Tory strategy. They did not know that their social security cheques were going to be cut by 20 per cent. They were not told. If they had been told they would have had to read it in the newspapers and not everyone has those facilities or capabilities. It is unconscionable, inhumane and not what governments are about.

Despite those who say governments should be managed like businesses, it is just not true. Governments are here for people. Governments have to manage in that fashion. Therefore, I am very proud and certainly support the strategy of the government to take a balanced, measured and stable approach to managing our fiscal house.

One gentleman in our conversation, Mr. Dave Levac, brought up an issue that people are concerned about which is the issue of government accountability. We know we have to do a better job at letting people know what our goals are and about measuring ourselves against our goals. Mr. Levac suggested that ministries, when they do not spend all the money allocated to them over the course of a budgetary period, contribute that directly to deficit reduction. That is not a bad idea but there may be some very complicated and technical administrative costs that are associated with that. However, what my constituents are saying is that government still has a way to go in assuring the Canadian public that it is truly accountable in spending tax dollars effectively. I accept that input. We do have to work more effectively in that regard.

• (1255)

Finally, on a detailed level, my constituents were very supportive of a government that supports the social side, the side that speaks to individuals, the Canadian public. They said that government support to the economy, to industries and business through subsidies, is probably one place where the government should continue to make cuts. Let the market look after itself.

We heard that at length over the course of the hearings in the finance committee where members of the chambers of commerce and different organizations representing business said they could manage more effectively without subsidies. We should, as a government, cut where Canadians are saying they will take cuts. That should be our strategy. I think of Mr. Lobb at the town hall who said: "I appreciate the fact that where the government made cuts was more on the side of business and the economy and less on the side of the social budgetary agenda". That made sense to him.

I suggest we continue with that strategy. We must remember that governments are here for Canadians. As a government we are opening the back rooms so that Canadians can participate in the budget debate, which is critically important to each and every one of us. We are taking a measured approach, with targets and commitments and we are meeting those commitments. We are creating stability in the marketplace, which is buying us credibility. We must focus on providing social support to Canadians across the country.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, today the debate is on a motion intended to congratulate the government on a job well done in the area of government finances. Of course you will realize we do not share that view.

I listened carefully to the hon. member for the Liberal Party who just spoke, and I will get back to what she said later on. In fact, towards the end of her speech, she said she was pleased because people had told her this government did not reduce its deficit by attacking the most vulnerable in our society but by cutting subsidies to business, and so forth.

We will put that in perspective later on, and maybe she should provide some figures or information for the constituent who said that, because the exact opposite is true. The main sectors affected since this government came to office—and I will explain that later on—are transfers to the provinces and unemployment insurance. It is largely these two sectors, as well as some economic growth, that enabled the government to reduce its deficit.

In the case of unemployment insurance, it is an artificial reduction. I will elaborate on all that, but I will also comment on the prebudget consultation process as such. In fact, this is the second year we have had these consultations. I am not so sure the process has improved over time. Perhaps certain technical details such as organizing round table discussions instead of hearings, could be seen as an improvement. However, when we consult people without providing a context, without parameters, as we did this year, there are certain consequences. The groups that appeared before us had to answer several questions formulated by the Minister of Finance, without exactly knowing where the debate was leading and without necessarily having

access to updated information which we did not receive until after the consultations. I will talk about all that as well.

I will discuss program review, which is an important element, and the fact that the Minister of Finance just announced there will be a phase II. I will also discuss what happened in the past few days, and I am referring to a proposal from the government of Quebec which was flatly rejected by the finance minister. When Quebec is willing to start a dialogue on a serious and constructive basis with genuine decentralization as the ultimate goal, it is rather surprising that the response to this initiative should be a quick and categoric no. So we are going to discuss that, plus corporate taxation and some of the measures that are in the works. So let us have a look at these items one by one.

First, the prebudget consultations. This was the second year. Last year, the Minister of Finance came to explain his position. He came with a whole launch kit, with his video cassettes and documents. He managed to make these consultations meaningful, up to a point. This year, the process was somewhat delayed, obviously because the Minister of Finance did not want to appear in person before the committee in the middle of the referendum campaign, in October. The minister preferred to postpone his appearance and let the hearings proceed during the whole month of November, without appearing at the beginning of the hearings to tell people what he had in mind.

• (1300)

Therefore, we found ourselves in a situation where, contrary to what was said—well, in some instances, witnesses made proposals that were constructive to a certain extent—many groups came solely to defend their own corporate interests, unfortunately. They said: "Our sector is vital. What we do is important, so do not touch us, but do look at all the rest". We cannot comment on the rest, because we have neither the knowledge nor the information to do so.

On this point, I agreed with the witnesses. Very often they spoke of overlap and briefly explained the various types, especially in Quebec and western Canada. We heard very little about decentralization and overlap in Ontario.

These people asked us about things and said they could not get hold of studies on the subject. It is unfortunate, because the Minister of Intergovernmental Affairs says he did studies, but never made them public. It is as if the management of public funds does not concern the public. It is as if documents should remain hidden somewhere and used only by cabinet. No, this is not the way things should work. If we want to consult people seriously, we have to inform them. We have a long way to go on this.

If we really want public consultation we will have to do it in some way other than having a committee make a show of touring the provinces telling people it is listening to them, when it is not necessarily the case.

The interim report of the finance committee is not particularly good. It is, obviously, not the final report, but it is not even up to the level of an end of session report or a high school paper. It is really too bad that, with all the expertise of the members and the personnel involved in the committee's work, the result is so ordinary. It is regrettable. Let us hope that the January report will contain more detail. This will not be easy, however, given the way the minister categorizes these consultations, providing no specific objective, no particular direction as to what he wants by way of information really, and so this is the way we end up.

I am disappointed by and rather critical of this process, which, in my opinion, does not provide many positive benefits. I will now address this issue before moving on to unemployment and transfer payments.

I would first like to talk about the program review. The Minister of Finance told us that the program review was about to enter Phase II. This means that every program involving government spending will be assessed as to effectiveness and need.

One of the problems is that parliamentarians face elections every few years. Programs are put in place by different political parties and different governments and their goals set at a specific point in time. In the mid–1970s, for instance, the government decided to create a tax credit to stimulate research in a particular area. In 1995, however, this has become less of a priority. Programs should be assessed more according to their initial goals and to whether they meet a current need. I imagine that a program review does in fact assess the need for a given program.

Our current budget situation requires that we set priorities. This means keeping what we deem most important, and to do so, we need information. All this is done behind closed doors with just a few people. This is no way to achieve a consensus and convince people to make necessary but difficult efforts to improve public finances. Until we give a sense of fairness to these measures and until people feel that everyone is doing his or her fair share, there will not be a consensus. When this information is not made public, people wonder what is being hidden and why. Does the government want to keep some bad programs or eliminate some good ones? Perhaps. To avoid this kind of embarrassment, the government has decided to do everything in secret.

I would like to talk to the minister about the upcoming Phase II.

• (1305)

If he is serious about it, he will start by releasing what came out of phase I, and then proceed with phase II. That could make things interesting. I am convinced that there are people who would have interesting things to say on the subject. Their comments could form the basis for the minister's next round of consultations. Instead of using these studies as a basis, he should release them and make them available to groups interested in participating in consultations. That will make for a real budget consultation such process involving public participation.

We do not hear enough from ordinary citizens. It is all well to hear from formal groups, but these already have a voice; they are in contact with the various departments and opposition critics. Regular folks are the least represented in this debate. At hearings, they sometimes end up sitting at the same table as the chairman of the Chamber of Commerce, who has the staff to prepare briefs and what not for him. This forum then becomes intimidating for these people. It is not the kind of forum that attracts ordinary citizens, at least very few of them, and not as many this year as last year.

In time, only corporate interests will participate in this forum. I am not saying that they are all bad; there are a few that are great and quite legitimate in the bunch, but the problem is that we already hear from them. We already know their positions, and these contain very few surprises, because there are other means available to them to make themselves heard. So, this whole issue needs to be reviewed.

Moving to deficit reduction. The Minister of Finance just announced his targets for the years to come and gave us an additional piece of information: this year's deficit will be $32.7 billion. The deficit will be reduced next year, down to 3 per cent of the GDP, which means that it will be somewhere between 24 and 25 billion dollars. The following year, it will be brought down to $17 billion. No one can oppose deficit reduction, which is a laudable goal.

However, we can be critical of two things regarding the means used to that end. The first one is the transfer payments. As we know, transfer payments to the provinces are part of federal government expenditures, since it collects revenues and then makes transfer payments to the provinces.

This is the way it used to be done in certain areas such as post–secondary education, health, as well as the old Canada Assistance Plan, or CAP. Now, these transfer payment programs are grouped together under the Canada social transfer. The various transfer payments are combined into a single consolidated category, so that only one payment is made.

In so doing, the minister pursues two objectives. The first one is to make things less transparent, so that he can say: "We put all this together, but we reduced the payment by a certain amount". It then becomes difficult to accuse the minister of making direct cuts in the health, education or social assistance sector, since he is making a cut in the global payment made for all three areas. He says to the provinces: "It is up to you to cut where you want. You have a choice between health, education and social assistance. I reduced the overall amount paid to you for these areas. You do what you can with what you have and you pay the political price attached to it".

We must remember that this means $2.5 billion in cuts for 1996–97 and another $4.5 billion for 1997–98. That is a lot of money. My hon. colleague from the Liberal Party said earlier that cuts to social expenditures were not as steep as those made to business grants. That is just not true. Cuts to business grants made so far and over the next to years amount to about half, perhaps $1.5 billion, while transfer payments primarily used to fund social services will be reduced by $7 billion.

There is an order of magnitude there. Cuts to the Canada social transfer alone will be four or five times larger. And that is not taking into account successive UI reforms, which, once again, are much deeper and wider in scope than cuts to business grants. So, let us not draw long bows here and let us be honest. The people should know that the cuts in question were made mainly to government social expenditures.

We could argue to determine whether these cuts were necessary or not. The hon. member may think that they are appropriate. She may think what she wants; she is perfectly within her rights. But she cannot tell people that cuts were not made there. The figures and the facts speak for themselves. The hon. member should set the record straight with her constituents, who believed her when she said that only business grants would be affected.

• (1310)

So, as far as the Canada social transfer is concerned, Quebec alone will bear 26 per cent of the cuts, the first round of cuts. During the first year, there will be $2.5 billion in cuts, of which Quebec will bear 26 per cent. The following year, we are not quite sure yet how extensive cuts will be because the applicable criteria have not been set.

According to a document issued by the Minister of Human Resources Development, the new Canada social transfer will be distributed on a population basis, which means that Quebec would absorb 42 per cent, or $1.9 billion, of the $4.5 billion in transfer payments to be cut in the second year. That is a lot of money. Especially when you think that, if the current criteria were maintained, Quebec's share of the cuts would be $1.2 billion. That is already a substantial amount. But with the new criteria, Quebec will lose an extra $700 million.

There have been discussions these past few days and an interesting proposal was put forward, but I will come back to that later, if I have time. The minister will soon have to be more precise about where he stands on this issue. Our point is that, overall, if the federal government reduces transfer payments to the provinces, it does not really spell deficit reduction for

ordinary citizens, for the taxpayers, because the problem has only been shifted from Ottawa to the provinces.

In turn, the provinces then have to make cuts and pay the political price for this. They are the ones left with the unpleasant task of explaining to their people what must be done to reduce the deficit. It is no easy task. Here they are washing their hands of it and saying that they are putting their fiscal house in order. Part of this is an illusion.

The other part that is illusory is the UI account. In the last five years, the UI account has been funded by employees and employers, which means that UI premiums are paid by insured workers, through payroll deductions, and by their employers. The government does not make any contributions to the UI fund. It is funded solely by the employees and their employers.

When this funding method was adopted in 1990—during the recession—, the UI account was running a deficit, which the government had to absorb. In the first three years, the fund ran a deficit, thus accumulating a three year debt. Since the 1994 UI reforms, however, the UI fund has run a surplus. This year, this surplus will reach some $5 billion.

If we look at the five years since employee and employer premiums became the only source of funding, the UI fund will have accumulated a surplus of about $1.2 billion at the end of this year. The fund therefore did not run a deficit for those five years.

Another $5 billion surplus is forecast for next year. The accumulated surplus will exceed $6 billion. The Minister of Finance has not said anything about raising benefits or reducing employee and employer premiums next year in order to stabilize, to contain a surplus that could reach $11 billion in three years in this account funded by employees and employers.

The government uses this surplus to give the impression of reducing its deficit. Without unemployment insurance in this year's books, the deficit would be $37.7 billion.

If the fund was balanced this year, for example, the deficit would be $37.7 billion. A different accounting method must be used, as well as a different account, so that we have a better balanced system and that the government does not use the UI account to create an indirect tax on employment.

We do not agree—and I will end on that note because I am running out of time—with the fact that the government significantly reduced its deficit through transfer payments and changes to the UI account. It will have to truly tackle other issues. It will have to take a hard look at the corporate tax system and conduct a real review of programs, so as to see which ones are no longer essential.

• (1315)

The government will arrive at a more comprehensive, permanent and stable solution that way than by simply making minor changes to its accounting method, or by off–loading the whole problem onto the provinces and never tackling the real issue.

This is why we will try, in our report, to reflect that spirit and ensure that the government will head in the right direction in terms of reducing its deficit.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, in February the Minister of Finance set the course of deficit reduction and economic growth. The budget focused on national priorities and set goals of fairness and credibility, goals we have met.

In 1993–94 there was a 5.9 per cent ratio of deficit to GDP. This year it will be 4.2 per cent and we are almost certain to meet our target of 3 per cent deficit to GDP by the year 1996–97. This is good news for Canadians, as we are on course and have achieved our goals.

This week the finance minister set a new two–year rolling target, the goal of a 2 per cent deficit to GDP ratio by the 1997–98 fiscal year. This means the deficit for that year will be approximately $17 billion. The borrowing requirement will be at its lowest level since 1969. This is credible reality of a finance minister of the government of today.

There are those who say we should go further and faster with cuts like this slash and burn approach but I say the deficit and debt were not created overnight and we cannot change them overnight. We are on a steady course showing results. With an anticipated growth rate of no more than 2.5 per cent next year and with inflation and wages under control we must continue the path we are on to reduce the deficit while stimulating the job creation strategy equation.

We have spent the past few months in committee listening to Canadians. They want us to be fair and show equity in all changes and cuts we make. We will earn our nation's affection and the respect of all Canadians if we as a government remain true to our own Liberal values. Those values of honesty, hard work, fairness, tolerance and compassion must prevail as we look at how to fight Canada's deficit and debt.

Liberals are a political party of the middle road. We will avoid the slash and burn policies of the extreme right wing and balance with compassion those policies of the extreme left. Margaret Thatcher once observed that staying in the middle of the road is very dangerous, as one gets knocked down by the traffic on both sides.

The government is not afraid of being knocked down by either side. We will listen to Canadians; we have listened. We will uphold the value of a one level health care system, the values of tolerance and compassion, the values Canadians want and respect, the values of eliminating poverty among our children. Difficult choices were made last year. Unemployment is being reformed this year and our workforce is more competitive. We have had the co–operation of Canadians and I thank them for that.

I share some concerns Canadians expressed to our committee. Many asked why we do not force the Bank of Canada to lower interest rates and manipulate the money supply. Past governments have tried it and it does not work. If we reduce this strangling deficit and the debt we will have a healthy financial picture and interest rates will fall on their own, mortgage rates will fall and the economy will expand.

Economists tell us a 2 per cent reduction in interest rates over four years allows the economy to grow by approximately $13 billion. Canadians have asked us why we do not set a longer strategy to look at the debt to GDP ratio. We know we must do this, since 20 years ago the total federal debt was 19 per cent of gross domestic product; 10 years ago it was 50 per cent. It was growing even in good times. Today it is close to 75 per cent. We know this ratio must be reduced if we are to compete globally and to remain the best country in the world in which to live. We know our generation must set an attainable strategy for reduction of debt to GDP.

Some recommendations by Canadians deal with the construction industry. It needs a boost. One idea is to renew the RAP, the residential assistance program we brought in last year. This helps low income earners to maintain adequate housing. It helps seniors on fixed income to stay in their home where they remain healthier and happier and it has helped the construction industry. Another suggestion was the use of the RRSP to extend to new construction by extended family members. As an example, a father could use his RRSP without penalty to construct the first new home for his son or daughter. Also, it has been suggested that if we remove the tax incentives that go along with the demolition of buildings we would then indirectly encourage retrofitting and remodelling of older buildings and our heritage properties. This has two benefits. It restores and maintains heritage properties and in most cases it creates twice as many jobs. Renovating creates two jobs for every one of new construction. It does have the job creation factor.

• (1320)

Each one of us elected to this hon. House knows how closely literacy is tied to the economy. Without strong literary skills we cannot read the work manuals or the directions on a piece of equipment, nor can we comprehend the orders of our bosses. Adult literacy is closely linked to employment and income levels. Since literary requirements are forever on the increase it is important to promote reading.

One way this budget can do this is by removing the GST on books and magazines. It may be necessary to work co–operatively with the provinces and believe the provinces would participate. The marginal lost revenue would be regenerated in more sales. There would be a greater stimulation to Canadian writers and composers. Above all, a society that reads more becomes more knowledgeable and more competitive in a global society.

In last year's budget we taxed the chartered banks some $100 million over two years. What we saw as a result was an increase in service charges passed on to the consumer. At the same time the banks enjoyed billion dollar profits. It is my recommendation that we take a new strategy. That strategy in simple terms would be for us, the federal government, to establish a community investment strategy and permit it to be funded by the banks in the communities. This forces the banks to do more for small business, more for community economic development and it forces them to leave some of those profits in local communities.

In addition, we have some responsibility to see that the banks lower those service charges. The charges have a negative impact on small business and a negative impact on the consumer. We are constantly told by economists we must adapt to an increasingly competitive world market.

Global competition means something entirely different to workers in small rural communities than it does to the workers at large corporations like Ford. This is where the banks can assist in those small communities often adversely affected by those global market forces.

I want to address labour sponsored venture capital funds. These are fairly new in the Canadian government's portfolio. They have been in existence less than five years and their mandate was to link investment opportunities to small and medium size businesses for the purposes of job creation. These are heavily taxed subsidized dollars with about $2 billion in venture capital available in Canada today. Very little is earmarked for small companies requiring less than $250,000 in capital, and still a large portion is invested in secure treasury bills, not helping small business at all.

The individual who invests in these funds get a 40 per cent tax credit in addition to the usual tax deduction if the fund is placed in an RRSP. The time has come to insist these funds be used in job creation or remove the tax credit incentive. This budget can clearly look closely at this area for new revenue.

There has been the opportunity since 1991 to carry forward any unused deduction in the RRSP, and StatsCanada shows that Canadians could pump up to $154 billion this year, which is not likely to happen because Canadians do not save that much money. There will be an opportunity in the 1997–98 fiscal period to look at setting a ceiling on RRSPs somewhere around

the $8,000 to $10,000 mark for individuals. We will also have the opportunity to look at changing it from a deduction on the income tax page to a tax credit.

• (1325)

By changing it to a tax credit, we would give a greater incentive for low income earners to invest in an RRSP because a tax credit would give them more dollars in their pockets rather than a deduction at that low level. We would seal it for high income earners so the advantage would be more equal in the incentive process.

There are many more things I could talk about in the budget process such as our training programs, our education facilities, needs such as the national highway strategy, and on and on.

We have heard Canadians speak and they have told us clearly their needs and wants. With political stability in the country we can create a dynamic federalism wherein we have sustainable financial resources, sustainable economies and a sustainable environment. What more can we give our youth but a country in which they can live and fulfil their dreams?

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, Canada has been declared the second wealthiest nation on earth and yet far too many of Canada's children live in poverty. There has been a steady and alarming increase in child poverty in Canada over the last decade and a half.

According to the Canadian Institute of Child Health, the poverty rate for children rose 60 per cent between 1981 and 1991. The most recent Statistics Canada figure indicates that 1.447 million children in Canada under 18, some 21 per cent, now live in poor homes.

The majority of low income children live in two parent families at 54 per cent, but a rising proportion live in one parent families. Almost two–thirds of single parent families headed by women live below the low income cutoff line. It is estimated that over half of native children grow up in poverty.

The effects of poverty on children are many. Poor children are more likely to get sick, suffer injuries and are twice as likely to die from injuries in comparison to better off children. Their academic performance suffers, as poor children demonstrate behavioural problems, reduced attention spans, poor attendance and low self–esteem. Weak academic performance is often simply due to hunger. Due to their parents' inability to afford the associated costs, poor children cannot participate in simple things like recreational and extra curricular activities that children in better off homes can take for granted.

They miss out on the camaraderie in sharing healthy activities and the pleasure in self–discipline and attendant self–confidence which are so necessary to later life successes. Poor parents simply do not have the room in their household budgets to afford some of the extras that make such a difference in young lives. Their children are often left to their own devices in the home or on the street.

Disadvantaged children grow up to be disadvantaged adults. It is impossible to measure the social costs in unfulfilled lives but it has been estimated that between 1990 and 2010, high school dropouts will cost Canada approximately $33 billion. This figure includes lost tax revenue, lost income, lost unemployment insurance contributions, increased UI benefits and increased social assistance benefits.

Our social security is strongly linked to nationhood. It is through our values reflected in our social programs that Canadians from coast to coast often define themselves. Canada has always been a society committed to social equity. We have always tried to reduce the disparities between regions, between men and women, the young and old, and among the social classes.

Poverty is growing. As poverty increases so does economic insecurity. Economic insecurities threaten families and communities. When a society becomes polarized economically, great social costs must be paid. We pay for more crime prevention, attending to different acts of violence and loss in human capacity. All of this can lead to slower economic growth. Poverty is a real threat to Canada.

I have an article written by Michael Valpy dated Thursday, November 2, 1995. In it he quotes Edward Newall, chief executive officer of Nova Corporation in an address to the Business Council on National Issues. In his speech Mr. Newall refers to two issues that must be moved to the front burner, issues that will be positive if we succeed and hugely negative if we fail.

One of the issues he addressed was poverty in Canada and our lack of a national game plan to cope with it:

> I think this is . . .a time bomb that is just waiting to go off because we are failing profoundly to deal with the issue. Almost as bad, most of the leaders of our country are not even seized with this issue. We don't understand it. We don't devote any effort to dealing with it.
>
> The fact that poverty is a major problem in the country is not subject to debate—it is a fact.
>
> In 1993, when our economy once again outperformed most of the developed world, Statistics Canada reported that an additional 348,000 Canadians had income which put them below the poverty line. More than three million Canadians are on welfare or social assistance. By some definitions, more than 20 per cent of our citizens are below the poverty line.
>
> Poverty is the overwhelming issue for Canada's single parent families. It contributes to the almost unbelievable high dropout rates from high schools in

Canada—To what extent is this massive problem of poverty creating conditions which will seriously undermine the quality of life for all—We do not want our future to resemble what we now witness in most U.S. cities.

Make no mistake, real poverty is our largest—unresolved problem in Canada—Let there be no misunderstanding. We business leaders will be judged to have failed in meeting our responsibility to Canadian society if we do not have Canada address the issue effectively.

• (1330)

With great respect to the House, as members of Parliament we too will fail Canadians if we do not effectively act on this issue.

On November 24, 1989 the House passed a unanimous motion to eliminate child poverty by the year 2000. However between 1989 and 1993 the number of children in low income houses grew by almost a half a million. Children are a gift to us for the future. All of us must take the responsibility to ensure that we live up to our declaration to eradicate child poverty.

The problems of poverty are complex; the solutions are multi–faceted. My reason for speaking on this crucial issue in my prebudget speech is to ask the government, when preparing the 1996 budget, to remember that the House has pledged to eradicate child poverty and that government spending priorities should be set to work toward this end.

There are many powerful lobbies, interests and misconceptions that can work to thwart attempts to act on eradicating child poverty.

We also hear from politicians on both sides of the House who say they must do as their voters wish. As members of Parliament they represent voters. We must always remember that even though children do not vote we represent them. As members of Parliament we must act in ways that honour and respect the needs of children.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, having spent my first two years in Parliament as part of the finance committee and the chief finance critic, I certainly appreciate the opportunity to speak today on the finance report. For me, and I am sure for many others, the state of the nation's finances is a matter of utmost importance and certainly the number one issue that must be dealt with.

In the time I have today I will ask some simple questions: Where are we now and how did we get there? Who do we point at to answer those questions? Only after we have answered the where and the how can we tackle the most important question: What do we do next?

Let us begin with where we are now. The government is still going into debt but not as fast as before. It still overspends but not quite as much. It still overtaxes but it is more clever in disguising that fact.

In 1996–97 the government will spend $25 billion more than it has. In 1997–98 it will spend $17 billion more than it has. Sadly some people call this progress. I call it irresponsibility.

The finance minister is lowering the deficit but not quickly enough. Yes, he is making cuts but in 1997, not today. Yes, he is making an effort to put our house in order, but it is a half-hearted effort that could come undone with the blink of an eye.

The government is playing a risky game with its go slow fiscal criteria and agenda. A recession, a secession crisis that could happen or rising interest rates, any one of those events could unwind three years of progress in a matter of days, sending us right back to where the government started at the beginning of the 35th session of Parliament, with a $40 billion to $44 billion deficit.

• (1335)

The government is deeply in debt, uncertain of its course, lacking in conviction and drifting at sea. How do we explain it? What accounts for this uncertainty, this sense of drifting and this ocean of debt that is drowning the federal government?

I have observed the following. The Liberals who came to office in 1993 were believers. They believed in the ideology, the philosophy and the cause of Liberalism. I must say when I compare the environment of the House of Commons with the environment of the Alberta legislature, in which I spent 28 and a half years, Liberalism was not alive in the Alberta legislature. However Liberalism is alive in the House of Commons. I cannot believe that Liberalism exists in the country in the way it does.

The Liberals who are leading the country believe in the same cause as their predecessors. The Trudeaus, the Martins and the Pearsons constructed a massive social welfare state, attempting to coddle all their citizens from cradle to grave.

What did these welfare Liberals really believe? They believed in governing from the top down instead of the bottom up. We are suffering from that. They believed in centralizing control instead of keeping it close to the people. They believed in governments running people instead of people running governments. The results of this approach were very predictable.

First, social programs fostered dependency rather than self–reliance. Business subsidies tilted the playing field instead of fostering competition. Paternalistic policies stifled initiative instead of creating opportunity. Because they believed that government could do a better job of managing people's lives than the people could, the welfare Liberals never hesitated to fund social engineering through higher and higher tax rates.

That is the legacy the Liberals inherited upon their election and are continuing to build on: an outdated, discredited welfare state that could no longer afford the vision of its creator. Yet the Liberals who campaigned on the red book in 1993 were the

children of that legacy. They believed in this vision. They came to the House believing that it worked. They believed it wholeheartedly even after it was proved to be wrong.

In reality it cannot be avoided forever, even in Ottawa. When the truth of my last statement finally sank in, when the truth of chronic unemployment, economic dependency and runaway debt became too indisputable to deny, they discovered they had lost their bearings.

These fervent believers who sailed into office on the HMS red book discovered that the Liberal philosophy which had anchored their beliefs was gone, discredited and sunk. They awoke to find themselves drifting, lost at sea and drowning in an ocean of debt. That is why the government spent its first two years in office doing nothing. Discovering that the welfare state had crumbled under its own weight, they found they had no other vision to take its place, nothing at all, no replacement.

Now they have become half-hearted warriors, deficit fighters by default. They reduce the deficit without conviction or understanding. They do it without a vision or a goal. They do it not because it is the right thing to do, but because they do not know what else to do.

The finance minister spent two long years on the road to Damascus before he had his own fiscal conversion, two years of continuous warnings from the Reform Party, international investors, academics, the IMF, the auditor general and the Bank of Canada, just to bring him to grips with fiscal reality. He believed that those bodies were not authorities that knew what they were doing. They did. While he has now experienced a half-hearted conversion to the benefits of deficit reduction, he is rowing against the tide in his own Liberal caucus. That is most unfortunate.

Tax and spend dinosaurs like the Deputy Prime Minister, the Minister of Human Resources Development, the Minister of Public Works and Government Services and the Prime Minister are still clinging to the wreckage of their ideology like a drowning man clings to driftwood.

• (1340)

The finance minister is desperate to keep his government's head above water, yet these 1960s Liberals are hung around his neck like an albatross, dragging him down. They will certainly drag the country down fiscally as well.

There is a bitter irony here. These children of the welfare state are drowning in an ocean of debt that they themselves have created.

Let us look at the alternative, and there certainly are some alternatives. It is the Reform Party. What do we present to Canadians? Reform knows what to do and we know why it must be done. Reform has an end vision. We know why deficit reduction is important and where it will lead. It will lead to jobs and business opportunities in Canada.

Reform's vision includes the elimination of deficits and a reduction in debt. It is unbelievable that our debt grows at $1,000 per second. Can anyone imagine putting $1,000 on the table every second of the day and night? It is beyond belief that happens but that is the kind of debt we have. It expands at the rate of $1,000 per second.

We believe in lowering borrowing costs both for the government and the people and in lowering tax levels, leaving more money in the pockets of Canadians. We believe in social programs that offer a hand up, not a handout. We believe in a society where everyone believes they have an opportunity to grow, prosper and learn in a safe and secure environment.

That is the vision Canadians so desperately need. That is the vision of the Reform Party and that is the vision the Liberal government does not have.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am also pleased to rise to debate the economic and fiscal update tabled by the Minister of Finance for us to take a look at as we begin our prebudget consultations.

The unfortunate part of the document, if I can recall back to last year, is that the Minister of Finance has laid it before us and said: "Here is the problem. Here are the facts. This is where we are". However he did not give us any idea what he has on his mind about where we are going. He did not lay out any options. He did not give any indication of his preference. He did not say we should explore this avenue or ask what we think of a particular suggestion.

As a result, when I attended the finance committee hearings on occasion as an associate member, I heard continuous rounds of presentations that indicated: "We have a problem in this country. We concur with the Minister of Finance. Therefore we should raise taxes, but don't raise mine". We also heard: "We agree with the Minister of Finance that we have to cut spending, but don't cut me". That was the general theme throughout the presentations.

Because the Minister of Finance did not use the power of his office to give any general direction on the kind of thinking he had in mind, much of that unfortunately did not actually produce a great deal of substance.

The Minister of Finance could have given us some idea about what he has in mind, the general direction in which he would like to go. The country would soon focus and either give him thumbs up or thumbs down. Then he would be able to plan his budget in accordance with the wishes of the people.

I am fairly convinced we will find in this round of prebudget consultations a repeat of last year: "Yes, we have a problem. Raise taxes but not mine or cut spending but don't cut me". If that is applied across the board the status quo would remain, which is not what the minister had in mind.

Looking at the document we see it is fairly detailed and substantial not only in its content but also in its omissions. I looked at annex No. 1 which states where the government spends its money. It goes through department by department: human resources development, citizenship, health and so on.

• (1345)

I was looking for finance. There is no annex on finance because it is going to spend $50 billion on interest on the debt. However we really do not want to highlight that. I am not sure if it was an omission by oversight or by design, but all of a sudden I find that this country's major expenditure, which is interest on our debt, is absent. While it is a good document for what it says, it is a good document for what it does not say as well.

On page 91 the document mentions budgetary revenues. We all know how strong the Minister of Finance is about wrestling this deficit down. He said: "I am going to bring it down to 3 per cent of GDP and now it is 2 per cent of GDP and no doubt it will be the magic number of 1 per cent of GDP". He never really tells us how, just that he is going to do it.

When we look at budgetary revenues on page 91 of the document, we find revenues from 1994 at $123.3 billion rising over two years to $136 billion. If my math is correct that is an increase in revenues of $12.7 billion.

The Minister of Finance has never wasted an opportunity to tell us that during that period he is going to reduce the deficit down to $24 billion or 3 per cent of GDP. The public accounts were tabled a few weeks ago and the deficit for 1994–95 was $37.5 billion. In the next two years the finance minister is going to wrestle it down to $24 billion, a decrease of $13.5 billion. We say: "Right on".

However he has now squeezed another $12.7 billion out of taxpayers along the way for a net savings of $800 million, or $.8 billion. That is the total savings by the government which tells us at every opportunity that program spending is coming down and that all kinds of opportunities are being used to cut the deficit. He is not cutting the deficit. He is taxing Canadians. That is what the finance minister is doing. He is taxing Canadians more because every dollar by which he wants to reduce the deficit is a dollar out of the pockets of Canadians not a dollar out of the government's pockets.

That is the clear point we want to make. Unfortunately it requires doing a little bit of math because it just does not stand out in the presentation of the documents. Again let me compliment the government on what it has produced, but let us not ignore what is not here either.

On page 91 there is tax on personal income which is about the closest the government gets to recognizing what it is doing. It states: "In 1993 tax on personal income in Canada stood at 15.4 per cent of GDP on a national accounts basis and was higher than in all other G7 countries except Germany". At first glance we think we are bad but we are not the worst. However, if we read on: "Relative to other G7 countries, Canada relies to a much greater extent on personal income taxes which were 13.5 per cent of GDP and social security taxes represented 1.9 per cent of GDP, the lowest share among G7 countries".

Let us take the two points together. Apart from Germany, we have the highest personal income tax as a percentage of GDP of any country and we have the lowest amount of social security taxes, those being Canada pension plan, UI, the things we return back to the constituents. We are the lowest on that, yet we are the highest on taxation which means that the money is being drained out of the pockets of Canadians and is being passed over on other issues.

• (1350)

Let us look at page 82 of the document. The only increase is transfers to individuals, which I can talk about later. Here we have on annex table 30, distribution of net federal elderly benefits by household income 1995.

Remember, as taxation goes up new families are being created and they are trying to buy a house. The spouse has to go to work. The Minister of Human Resources Development just announced $700 million for day care to help them over the hump because their finances are in difficulty. Canadian families are in trouble because of high taxation. We need to try to improve the prosperity.

Here we have on page 82 that we are giving $630 million to households that have incomes over $75,000 and we are spending another $500 million on households whose incomes are between $60,000 and $75,000.

I could go out on to Wellington Street in Ottawa, Jasper Avenue in Edmonton or any other main street to stop a young couple who is trying to find some money to buy Christmas presents and ask: "Do you realize that a lot of your tax money is going to pay $1.1 billion to families whose incomes are over $50,000?" Should the Minister of Finance not be taking a look at that? If he did he would find that there is room to cut spending. That is the Reform Party's platform: to cut spending rather than tax Canadians more. That is a big difference.

We can go through the document and find all kinds of references. Unfortunately the bad news has to be dragged out but the good news of course just hits us right in the face. It is a good document but the presentation on the bad news could be improved in another year. We do talk about the debt and deficit.

The other day the Governor of the Bank of Canada appeared before the public accounts committee. I would like to bring to members' attention some of the things he said in his opening statement. He said: "At a minimum, this calls for action to stop the ratio of public debt to gross domestic product from rising. It is time we got the debt under control". He said further: "Just stabilizing the debt to GDP ratio may not be sufficient. Lower ratios may be needed". He concluded his remarks by saying: "We need a debt to GDP ratio for Canadian governments in total that is lower than it is now".

I am not saying that the Minister of Finance has an easy job. We all know how difficult it is. However, let the Minister of Finance stand up and tell Canadians that it is the Liberal Party's policy to tax Canadians more, not to cut spending. Let us recognize that and let us get that point out.

The finance minister still has a long, long way to go before he balances his budget. If it is the intention of this Liberal government to do it totally and absolutely on the backs of taxpayers without cutting one nickel of government spending, Canadians will have something to say at the next election.

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, it is my pleasure to join the take note budget debate and offer my views to the Minister of Finance.

When talking about the budget the first issue we have to deal with is the debt and the deficit. We have to come to some sort of understanding on how big a problem it is. Once we come to grips with how big a problem it is, then we can say how much cost we are willing to bear to get it under control.

My own view is to move aggressively as reasonably possible to a budget surplus. I use the word surplus as opposed to a balanced budget. A balanced budget does not solve the problem of too much debt. A surplus would allow for the lowering of that debt. In the lowering of that debt there would be a number of factors that would compound positively for the Canadian economy.

There would be a lessening of interest rates as money lenders would see less of a risk in lending money to Canadians. They would lower the cost of the money that they lend. There would be less of a currency risk which would again compound to lower interest rates. Consumer confidence would go up and investor confidence would go up.

• (1355)

All of those factors would provide some possibility of tax relief which again would be good news for the economy. All of those factors combined would increase economic growth, increase jobs, increase opportunity and would be good for the Canadian economy overall.

However the goal to eliminate the deficit must not be our sole purpose. We must acknowledge the linkages within the economy. To simply slash government spending would from a macroeconomic point of view lessen aggregate demand and risk putting the economy into recession.

Furthermore, we need to acknowledge there are pressing needs within Canadian society. The issue then becomes: Can the government maintain or even improve social spending or social programs while reducing overall spending? The answer is yes it can by making adjustments or deeper cuts in other areas. By establishing priorities we can consider new initiatives to meet urgent needs.

Let me bring the attention of the House to what I believe should be this country's number one social priority for the upcoming budget, the issue of child poverty. There has been a steady and alarming increase in child poverty in Canada over the last decade and a half. According to the Canadian Institute of Child Health the poverty rate for children rose 60 per cent between 1981 and 1991. The most recent Statistics Canada figures indicate that 1.4 million children in Canada under the age of 18 now live in poor homes. Poverty among single mothers remains stable and tragically high at 56 per cent.

According to the United Nations Children's Fund, among the OECD nations Canada has one of the worst records on child poverty, second only to the United States. Given the UN has also rated Canada as the top country in the world in overall quality of life, our failure to deal with child poverty is all the more glaring. To those who might insist we cannot afford it at this time, we have to ask why our OECD partners faced with similar fiscal challenges have been able to do a better job for their nation's children. I believe it is a matter of setting priorities.

I would also like to point out that in solving the child poverty problem we also address a number of other problems. We would improve the country's productivity. We would spend less money related to crime and crime prevention. We would lower our health care costs. All of these factors combine to make a better country.

The solution in part can be found through an income supplement program. I am recommending to the Minister of Finance that he put in his budget a $500 million program called the working income supplement. I will not bore this House with the details of the proposal but would point out that it was described most adequately in a supplement to the green paper in a paper called "Income Security for Children".

One might ask: "If this fellow believes in cutting the debt and cutting the deficit but he wants to invoke a new social program, where does he think we are going to get the money from?" I would like to talk for a moment about the defence budget because I think the defence budget needs to be cut, it needs to be cut not only to free up money for debt and deficit reduction but also for social programs such as child poverty.

Canada's current military budget is approximately $11.4 billion. Peacekeeping accounts for only 5.5 per cent of this budget. Canada currently has the 12th largest military spending in the world. We are the sixth largest spender among NATO's 16 members. Military spending has been declining significantly around the world for several years. However, Canadian military spending has been an exception to this pattern.

By 1994 world military spending was 29.6 per cent lower in real dollars than it was in 1985. Military spending by countries that are not members of NATO was a whole 42.5 per cent lower. However, Canadian military spending remained 3 per cent higher in real dollar terms than it was in 1985. As a result Canadian military spending rose by 46.2 per cent relative to world military spending. I ask my colleagues to check the facts which I believe they will find accurate.

The pattern is even more striking if we look back to 1980. Although it grew substantially during the early part of the 1980s, by 1994 world military spending was 16.5 per cent lower in real dollars than it was in 1980. However, Canadian military spending was 36.2 per cent higher. As a result Canadian military spending rose by 63 per cent relative to world military spending.

• (1400)

The Canadian government has begun to make real cuts in military spending since 1994. I acknowledge those cuts and I applaud them. The reductions, begun in 1994, are expected to total about 19 per cent—

The Speaker: My colleague, you still have five minutes in your speech. The Chair will recognize you when we return to debate. Right now we will go to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

DRUG ABUSE

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, the use of drugs is one of the most corrupting influences in our inner cities, producing poverty and crime.

In Rosedale riding the Regent Park community centre has set up the Regent Park community coalition against substance abuse to fight this menace. Its program involves youth making videos on such issues as drug and alcohol abuse and how to resist peer pressure encouraging smoking, drugs and alcohol.

They promote a healthier community by promoting a healthy lifestyle and set an example for their peers. At the centre young people are given an opportunity to explore these issues and reflect their thoughts in video form. In making these videos they also learn skills that will prepare them for future employment and access to the work world.

I would like to pay special tribute to the Regent Park focus coalition and its leader, Adonis Huggins, for bringing together young people and empowering them to say no to substance abuse of all kinds.

* * *

[*Translation*]

SAME SEX SPOUSES

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, a few days ago, Treasury Board made a major move to recognize same sex spouses.

By relaxing the interpretation of its collective agreements, Treasury Board granted six benefits to employees living with a same sex spouse.

These benefits include bereavement leave, family leave, leave for the relocation of the spouse, as well as the reimbursement of travel and moving expenses of the spouse of a diplomat posted abroad.

These provisions apply to 200,000 federal public servants. The logical thing to do for the government would now be to grant same sex spouses the other benefits to which are entitled all federal public servants.

* * *

[*English*]

THE CONSTITUTION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, yesterday December 13, 1995 was a black day for Canada. Canadians remember the Charlottetown accord.

In the end, even Mulroney had the decency to consult the people on constitutional change and abided by the results of the referendum.

What was the lesson the Liberal government learned from Charlottetown? Do not give the Canadian people the right to vote on their Constitution; they might not vote the way you want them to.

We saw the same arrogance last night. Despite the pleas for help from the majority of Quebecers who voted no in the referendum, the government turned its back on them and granted a veto to the separatist Government of Quebec.

I believe any veto over constitutional change should be given to the people through referenda, not to politicians, not to provincial legislatures.

Yesterday the government defied the expressed wishes of all Canadians who voted down Charlottetown. The Liberals have made a mockery of democracy.

LUNENBURG

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, it is with pleasure that I rise in the House today to acknowledge the designation by UNESCO of old town Lunenburg in my riding of South Shore as a world heritage sight.

There are only 12 such designated areas in Canada. It is a great honour to have Lunenburg as one of them. Lunenburg's unique historical architecture and its traditional settlement pattern are known to everyone who has visited the town.

The old town's historical integrity is depicted in its streets, public spaces, buildings and daily life. The Lunenburg Academy, which is still operational, celebrated its 100th birthday last summer and has been featured on a commemorative stamp.

Lunenburg's popularity as a tourism destination is constantly growing due to its role in history as home of the *Bluenose* and the Fisheries Museum of the Atlantic as well as the continuing efforts made by residents and businesses alike.

This designation is an honour to South Shore and depicts the pride our people have in Lunenburg.

* * *

NUCLEAR TESTING

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, Don Francis of the coalition against nuclear testing and many of my constituents are outraged at the French's nuclear testing in the South Pacific. They are calling for a ban on the sale of uranium to any country which produces or tests nuclear weapons.

This year marks the 50th anniversary of the dropping of atomic bombs on Hiroshima and Nagasaki and has become an important reminder of the human potential for global destruction. Conflicts throughout the world continue to be resolved through peaceful measures, and the decision of the Government of France to resume nuclear weapons testing has seriously damaged this commitment.

On December 12 at the United Nations plenary session Canada voted in favour of a resolution strongly deploring nuclear testing.

• (1405)

I share the concerns of my constituents. As a society we must take all necessary steps to ensure our world is free of nuclear weapons.

* * *

PORNOGRAPHY

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, like many members, I recently received numerous white ribbons from peoplein my riding. These white ribbons signify their concerns about the effects of pornography in communities across Canada.

A number of churches in Halifax West have been actively involved in the white ribbon against pornography campaign. By distributing information pamphlets to encourage discussion and action, by wearing white ribbons during the WRAP campaign and by bringing their concerns to our attention, my constituents are taking a strong stand against pornography.

As the social action committee of the Bedford United Baptist Church stated, people acting together can make a difference. My constituents are acting together to limit the production, distribution and sale of pornography. I commend their efforts.

* * *

[*Translation*]

MINISTER OF HEALTH

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, day after day, the Minister of Health keeps fumbling and getting bogged down because of the wishy–washy and clumsy way she manages her department. Remember the hepatitis C issue. The minister was so casual about the whole thing that she had to apologize to those concerned.

In her tobacco control strategy, the minister does not answer the legitimate questions raised in recent days by concerned organizers, in Montreal, of cultural events sponsored by tobacco companies. This is just the most recent in a series of blunders on the minister's part. Whether she was dealing with the tainted blood issue, somatrophin, AIDS, breast cancer or other issues, the minister showed that she was totally incompetent. Rarely has the behaviour of a government member had such a devastating effect on its reputation. Therefore, instead of making recommendations to the Leader of the Opposition regarding my future, the minister should ponder her own future.

* * *

[*English*]

CANADIAN UNITY

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the basic principle of any democratic society is equality for all its citizens. However this principle has been abrogated by the government in giving a distinct society clause to Quebec.

The principle of equality is something that Canada stands for and is something Canadians have fought for and died for. It is the basic tenant of our society, one Canadians hold in the highest esteem. The course the government has taken violates this principle of equality.

As we prepare to rise for the Christmas break, the message I would like to send to the people of Quebec and to the rest of Canada is this. We are a nation with a proud and diverse history, a nation based on tolerance and respect. Our differences are not something that need to divide us but something that can bind us together. If we are to have unity we must think of ourselves as Canadians first and not as hyphenated Canadians.

A strong and united Canada is our destiny, something we must and can pursue. As we gather with family and friends during this holiday season I encourage all Canadians to reflect on how lucky we are to live in this beautiful country.

* * *

CHILD CARE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, the child care initiative announced yesterday by the Minister of Human Resources Development is a small step in the right direction, but only 12 per cent of Canadian children who need licensed child care have access to it, compared with 80 per cent in many European countries. The 362,000 regulated child care spaces in Canada barely scratch the surface, as there are 3.1 million children in need.

The Liberal government is using budgetary restraint as an excuse for not developing a real national child care program and it has already slashed $7 billion in social programs, thus compounding the problems the less well off children in Canada face.

The government has also chosen to download its responsibilities on to the provinces, which are already strapped for cash. Plainly some provinces will not be interested in participating in this offer of child care partnership, and then what will become of the children in those provinces?

Unfortunately the government does not understand our children are our future and that now is the time for real and full commitment to Canada's greatest resource in the form of universal, accessible and non–profit child care.

* * *

LEADER OF THE REFORM PARTY

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, in the spirit of the season, the clarion call of the leader of the third party to His Excellency the Governor General of Canada, demanding the removal of the Prime Minister, no doubt will bring love and joy to the House.

• (1410)

Like elves and flying reindeer, surely the leader of the third party has had a vision. Canadians must be asking what is dancing in his head. Is the cause too much refined sugar or half–baked turkey?

This Christmas season we government members of the House are full of goodwill. Surely the recent actions of the leader of the third party can be described in the last words of the last line of the Polish "Carol of the Bells": Merry Christmas, ding, ding, ding, dong.

* * *

REFORM PARTY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, I have a confession. I have a 25–year habit I cannot kick, thinking like a physician.

I have observed the Reform Party with clinical interest over the last two years. My diagnosis: collective schizophrenia evidenced by irrational behaviour, delusions of grandeur and loss of touch with reality.

Observe a party that emoted over the 14 women gunned down in Montreal yet which opposes gun control; a party that claims to support universal medicare but wants a two tier U.S. style system; a party that said it supports Canadian unity but was absent at the Montreal rally and stands unanimously with the Bloc on every issue of Canadian unity.

It called for a B.C. veto and then sided with the separatists against any region's getting a veto; a party whose leader so desperately wants to be Prime Minister, a position denied him by the people of Canada in the last election, that he committed the ultimate irrationality of asking the crown to remove a democratically elected Prime Minister from office.

Actually this is not schizophrenia, it is coldly calculated political opportunism; a party willing to sacrifice Canada's future to advance its own political position.

As Ebenezer Scrooge would say: "Bah, humbug".

* * *

[*Translation*]

CANADIAN UNITY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, tomorrow, it will be seven weeks since Canadians from all the provinces came to Montreal to show their support for Quebecers on the eve of the referendum. Only seven weeks.

Today, we are proud of the message the government has sent to Canadians by having this House adopt the motion on distinct society and the veto bill, and all this less than seven weeks after the referendum. This is a very important step.

Quebec members of the federal Liberal caucus have already advised the Minister of Intergovernmental Affairs of their thoughts on future changes. The minister, who chairs the Committee on Canadian unity, is to make his recommendations to the Prime Minister two weeks from today.

I would like to take this opportunity to say that I hope 1996 will be a year of peace, prosperity and unity for all members of this House, for all my constituents in Brome—Missisquoi and for all Canadians who want to build the Canada of tomorrow.

* * *

TRANSFER PAYMENTS

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, today the federal government monopolized a full page in Quebec's daily newspapers to announce that Quebec receives 31 per cent of federal transfers.

Of course the federal government has skewed the facts by including transfers of tax points in its calculations. It also overlooks the fact that, although Quebec represents 25 per cent of the population of Canada, it receives only 19 per cent of federal spending on goods and services, 18.5 per cent of federal spending on research and development, 17 per cent of federal capital spending, and so forth.

As a result of this shortfall in structural spending by the federal government, Quebec has to do without 55,000 direct jobs it would otherwise have.

As far as Ottawa is concerned, economic development is for Ontario and unemployment and welfare for Quebec. If cutbacks continue at their current rate, four years from now Ottawa will no longer finance Quebec's social programs.

* * *

[*English*]

ATHABASCA TAR SANDS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I bring to the attention of Canadians the outrageous report tabled this morning by the environment committee. This report is a direct attack on Canada's resource industry and could put the proposed tar sands expansion project in my riding in jeopardy.

The proposed tar sands expansion will generate 44,000 new jobs all across Canada—real jobs, not the imaginary ones created by the minister of public works—and will add directly to government balances $97 billion.

This report makes outrageous statements about how environmentally damaging the tar sands are. The companies which extract oil from the tar sands have continually demonstrated an unwavering commitment to the goals of sustainable development and are voluntary participants in the government's CO2 reduction program. They are leading the way on environmental issues.

• (1415)

I urge the finance minister to reject these report recommendations as extreme and seriously consider the recommendation of the tarsands task force on the basis of the benefits to flow to all Canadians.

* * *

REFORM PARTY

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, yesterday Canadians witnessed again the Reform leader's true loyalty and contempt for Canadian democracy.

The Reform leader said he wants to impeach the duly and lawfully elected Prime Minister of Canada, not for wrongdoing, but because he does not agree with his policies.

In a democracy, disagreements are settled in general elections and by the majority of votes in the nation's democratic institutions, not by trying to eliminate or silence by any means those with whom we disagree.

After two years in the House he should know and respect the democratic procedures of Parliament. How far is the Reform leader willing to go in his quest for power? We do not know. However the defenders of democracy must be on guard.

If the Reform leader does not agree with policy, let him come to the House, present his views and let the elected members vote. He will then see that the majority does not share his vision of a divided Canada. If he wants to launch an American style impeachment, let him agree to a vote in the House on whether he should resign. I am sure the result will be more than a 50 per cent plus one split.

* * *

REFORM PARTY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, what do you call a political party that came to Ottawa advocating a new way of doing parliamentary business and then makes a fool of itself in Parliament?

Some hon. members: Reform.

Mr. Boudria: What do you call a party that asked for a constitutional veto for British Columbia and then voted against it?

Some hon. members: Reform.

Mr. Boudria: What do you call a party that debated a supply bill for five days and then asked why it had not debated the supply bill that it had just debated?

Some hon. members: Reform.

Mr. Boudria: What do you call a political party asking for parliamentary committees to devise a procedure to defeat the government when such a procedure has been in existence for 128 years?

Some hon. members: Reform.

Mr. Stinson: What do you call a party that does not let its members vote? Liberals.

Mr. Boudria: What do we call a party that thinks everyone else is crazy except itself?

Some hon. members: Reform.

Mr. Boudria: Well, need I say more?

ORAL QUESTION PERIOD

[*Translation*]

CHILD CARE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, at the same time that the Minister of Finance was vainly trying to reach an agreement with the provinces on the distribution of the drastic cuts in social programs announced by Ottawa early this year, the Minister of Human Resources Development was freeing up $720 million for a new national child care strategy. Surprisingly, the Minister of Finance was totally in the dark about the announcement.

What explanation can there be for the Minister of Finance knowing nothing, at the very moment when he was discussing significant cuts in social programs with the provinces, about his Human Resources Development colleague's initiative, his decision to inject $720 million into a new daycare package?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, yesterday and the day before that, at the meeting of ministers of finance, there were most definitely discussions on putting public finances on a more sound footing, as well as of the necessity for both levels of government to set priorities.

Several provincial representatives therefore spoke to the Minister of Human Resources Development concerning daycare. The British Columbia Minister of Social Affairs also made a statement on her wish for such a program.

The federal government therefore needs to respond to the wishes expressed by the provinces. What we confirmed yesterday with the ministers of finance was the absolute necessity of setting priorities.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, will the Minister of Finance admit that by cutting back the general transfers to the provinces for social programs, and ploughing part of the cuts back into child care, the federal government is imposing its choices on the provinces, which is diametrically opposite to the Prime Minister's promises of decentralization?

• (1420)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the Minister of Finance has already explained, one of the great advantages of the new transfer program is that it allows provincial governments the flexibility to set priorities to determine what is the most important investment to make in this area of programming.

We are suggesting and promoting the notion that if we want to get people back to work that we have to be able to provide for the proper care of children along the way, a point of view shared by many provincial governments.

All we are trying to do in this case is to ensure that there is support in those areas, so that they can exercise the new flexibility and the priorities that they have under the new social transfer.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I understand the minister's response perfectly but it does nothing to change the fact that, on the one hand, the federal government is cutting general transfer payments to the provinces, which they are given to organize their own social services, and is then reinvesting that money into a child care package. That is called ramming your choices down the other's throat. If the federal government does not want to impose its choices on the provinces, all it needs to do is stop making cuts in general transfer payments to the provinces. That would be a good way to give the provinces some help.

How can the provinces count on federal funding, when they can only be sure of it for three to five years? The need will still be there after that but the federal government can pull out unilaterally, again leaving the provinces to foot the bill, as it has with the transfer payments?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is unfortunate the hon. member gets his facts from the pages of a newspaper and does not try to seek out the real information.

The real information is that when writing to the provincial ministers, after extensive discussion with ministers and their officials over the past several months, we indicated the initial investment to help augment the supply of quality child care. Once that initial addition for augmentation takes place, we are committed to the ongoing support and maintenance of those facilities.

It would seem that the hon. member for Roberval might want to talk to his colleague, the hon. member from the constituency of Quebec, who on February 9 said: "Does the government

intend to make available to the provinces the financial resources to go ahead with developing child care?" Again on February 24, she said: "Is the government prepared to act on its commitment respecting quality child care?"

It seems that on the one hand, the Bloc Quebecois is asking for a commitment and, on the other hand, the member for Roberval does not want us to hold to that commitment. Which voice of the Bloc Quebecois should we listen to?

[Editor's Note: Whereupon a visitor in red entered the Chamber.]

Some hon. members: Hear, hear.

The Speaker: Colleagues, we only have a few more hours to go.

• (1425)

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Deputy Prime Minister. The Minister of Human Resources Development announced yesterday a national daycare strategy costing $720 million over five years, on the condition that the provinces match the amount and meet national standards that Ottawa may set.

Does the Prime Minister realize that, by making the federal contributions contingent on a matching investment by the provinces, it is favouring the wealthier provinces, which have greater financial capabilities, over the poorer provinces such as Quebec?

[English]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have gone from Santa Claus to Ebenezer Scrooge in 30 seconds.

It is really surprising that the hon. member for Quebec, who last February was on her feet in the House demanding in no uncertain terms that the government live up to its commitment, has now fundamentally changed her mind, reversed her position and no longer is committed to the government helping children and their families get proper care.

It really is a very sad day when the hon. member who has had such a good reputation in the House for supporting the cause of children has now bought into some kind of partisan attack against a program that is designed primarily to make sure that children get good quality care.

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, the minister is intervening after cutting aid to the provinces. That is not what I meant in my letter.

Will the Minister of Human Resources Development acknowledge that he is preparing once again to use his spending power to meddle hamfistedly in the daycare sector, which is under Quebec's jurisdiction exclusively, while imposing national standards; and that, if he really wanted to react or to effectively resolve the daycare problem, he would do well to transfer federal funds to Quebec so they could be managed according to our interests? That was the gist of my letter.

[English]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is really a great regret that the hon. member has made such a major reversal in position in so short a time.

In the letter sent to provincial ministers we made it very clear that the provincial governments should respond to us. We said: "It is within your jurisdiction. You propose what kind of program you would like to see happen". It is entirely within their discretion, entirely within their authority to decide how they respond to this. No one is interfering. No one is providing direction in terms of specific programs. That is entirely and thoroughly within the orbit of the provinces to manage.

We are going to ensure that in the very crucial question of ensuring proper care for children and the equally important providing of support for the employment of their parents so that they can go back to work, that we are prepared to help share the burden with the provinces and hopefully they will respond in a like kind.

* * *

THE CONSTITUTION

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the interest of efficiency and generosity on this last day before the break I have a very straightforward question for the Minister of Intergovernmental Affairs. This is a question we have had difficulty getting a straight answer on but I hope that today we may receive it.

Will the minister tell Canadians in plain language how granting the separatist government of Quebec a veto over the Constitution of Canada enhances the cause of national unity?

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, when the people in Quebec voted to elect the Bloc Quebecois we had to accept their democratic verdict. When they decided to elect the Parti Quebecois in Quebec we also had to respect their verdict because this is democracy.

When we give a veto to British Columbia we give it because we believe this is in the national interest. When we give a veto to Quebec we do it because we believe it is in the national interest.

I would hope that the leader of the third party would respect the democratic wishes of the population of Canada.

• (1430)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister provides no rational answer because there is no rational answer.

Any government that can talk itself into believing that a separatist veto over the Constitution of Canada helps national unity can talk itself into any other kind of concession. It is the Neville Chamberlain approach to constitutional negotiation: unity in our time through irrational concessions. When Winston Churchill was asked how to deal with a Prime Minister taking that approach, he replied: "If the Prime Minister trips, he must be sustained; if he makes mistakes, they must be covered; if he sleeps, he must not be wantonly disturbed; but if he is no good, he must be poleaxed".

Does the minister see the wisdom in Winston Churchill's position on how to deal with any minister who undermines the national interest by irrational concessions?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, in the justice system there is a provision whereby a judge can order somebody to be sent for a mental examination for a period of 30 days. Mr. Speaker, I was thinking that we might give you that authority and that the leader of the Reform Party be the first candidate for that procedure.

Some hon. members: Oh, oh.

The Speaker: Colleagues, between poleaxing on one side and medical examination on the other, you are putting your Speaker in a very precarious position. I would ask you to be very judicious in the choice of your words and symbolisms on this day.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, any question of sufficient import to wake up the solicitor general must have had some substance to it.

My final question today is what lawyers call a notwithstanding question. Notwithstanding the desire of Reformers to see the entire government replaced, notwithstanding our desire to see the cabinet shuffled and the Prime Minister impeached, notwithstanding our desire to see the Deputy Prime Minister go on an extended tour of Antarctica, will the government House leader please convey to the Prime Minister, Madam Chrétien and the Prime Minister's colleagues the best wishes of Reformers and our constituents for the season and for the New Year.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I will say nothing to impeach the good wishes that were expressed by the Reform Party. We accept them in a very positive, forthcoming and gracious spirit. I hope that in the future members of the Reform Party will join with us in our commitment to national unity and abandon what seems to have been their previous obsession with separatism.

* * *

[*Translation*]

CANADIAN FEDERATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, unable to keep his referendum promises, the Prime Minister, in desperation, announced the establishment of two committees, one on the Constitution and the other on the economy. They were to report back to him with recommendations for changes by Christmas.

Would the Acting Prime Minister tell us whether he has received the final reports of these committees, one a phoney, the other a phantom, on changes to be made to the federation?

• (1435)

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, with respect to the responsibilities I have in chairing the jobs committee which was referred to by the hon. member in his question, I can assure him that members of that committee have taken their responsibilities very seriously. Our work is ongoing. As the Prime Minister requested, we will have a report to present to him before Christmas.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I am sure the Prime Minister will be getting fine gifts.

Could the Acting Prime Minister tell us what the reports of these two committees will add to his purely symbolic initiatives on the distinct society, the veto and decentralization?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, obviously I am only in the position to comment with respect to the contributions to be made by the committee which I have the honour to chair.

I would point out to the hon. gentleman that one of the very finest things that can be done to contribute to the spirit of unity in this country is an ever strengthening Canadian economy generating more and more good solid Canadian jobs.

CHILD CARE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, two years of effort have resulted in failure as the Minister of Human Resources Development does not have one single province signed on to his day care package. Yesterday despite this failure he announced his day care package. The provinces cannot afford this program and the minister knows it.

Why does the minister not admit that he intends to blame the provinces when his day care package goes up in flames?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, why am I not surprised that the hon. member for Calgary Southeast is opposed to a major program to help children across Canada? It comes as part of the general philosophy where her party simply has no interest.

I would like to provide for contrast what the minister for women's equality for the Government of British Columbia said yesterday in her press conference. She said that she is glad the federal government is going to share and is prepared to commit funds to help with children's care. She will be contacting her provincial colleagues to encourage them to support the offer and to work with the federal government.

It shows that the British Columbia minister understands far better than the member for Calgary Southeast the important investment that can be made in child care in helping parents go back to work and in helping to make sure children are well looked after.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the hon. member did not huff and puff like Santa Claus going down the chimney but he just about did.

The government is offering over 720 million taxpayer dollars for its ill thought out day care package. The Reform Party believes the Liberal package discriminates against stay at home parents. It provides funds for those who choose to leave child care to others.

Will the minister commit to providing tax relief for stay at home parents?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, with questions like that, the hon. member for Calgary Southeast is going to give the Grinch a bad name.

I would like to point out to the hon. member that in developing our child care proposal, the first thing we have done is to sign an agreement with the aboriginal people to provide 6,000 additional spaces for the group in the country who probably needs them most. That is not a failure but a major investment. Also, because we want to recommend, recognize and respect provincial jurisdiction, we have made a similar offer to the provinces to which we hope to have a positive response.

To answer the question specifically, I would like to quote from a sometime distinguished member of the House who represents the constituency of Calgary Southeast. On October 16 she said: "We can do more as federal legislators to foster hiring and employment such as supporting new day care facilities". From time to time we are prepared to listen to the advice of the hon. member for Calgary Southeast. It is too bad she herself cannot remember what she said just a few short months ago.

* * *

• (1440)

[*Translation*]

RADIO CANADA INTERNATIONAL

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

In a letter sent to an RCI employee in January 1991, the Prime Minister, who was Leader of the Opposition at the time, pointed out that Liberal members had moved an amendment in the debate on Bill C–40 to have Radio Canada International designated a permanent service in order to ensure its survival. During the same period, the current secretary of state for the status of women went so far as to ask, on behalf of the Liberal Party of Canada, that full funding be restored for Radio Canada International.

How does the minister explain that, five years after stating its unconditional support to RCI, his government suddenly decided to put an end to RCI's operations?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have already told this House that no decision has been made about Radio Canada International. The government is waiting for the mandate committee to table its report, which will contain recommendations on the future of the CBC, including its international operations. Then, we will be able to make a decision.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, the minister seems to keep forgetting that the employees have already been handed their pink slips.

How can the minister explain such an about–face when, in the new foreign policy statement issued by the government just ten months ago, Radio Canada International was said to be a cornerstone of its foreign policy?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, how can we do an about–face when no decision was made? Once a decision has been made, our colleague will be in a better position to comment.

* * *

[*English*]

TRANSFER PAYMENTS

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, last winter the finance minister committed to bring together the provincial finance ministers to set the new terms for the Canada health and social transfer. They came together this week and could only agree on a dinner menu and that was about it.

Why in the world did the minister wait until three months before the decision was to be made to bring the ministers together? What is his game plan now if the provinces cannot agree? It certainly looks like that is the case.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, officials from the provincial and federal finance departments have been meeting regularly for quite some time.

The meeting that was held had been scheduled and follows the normal schedule of such meetings. I made it very clear that we did not expect to come out of that meeting with a final decision but that at the ministerial level we would engage in a discussion by the officials that would continue for quite some time.

In fact, the meeting ended up roughly where one would have expected. That is, those provinces which are contributing were seeking one formula and those provinces again by another formula were seeking to protect that position.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we have equalization payments that serve to equalize the services that are provided across the country.

The initial distribution of the Canada health and social transfer discriminates against Alberta, B.C. and Ontario. Furthermore, Quebec gets more than Newfoundland on a per capita basis.

Is it the minister's intention to continue his discrimination against some provinces? Will he favour a distribution of the CHST that results in per capita transfers to all the provinces and all Canadians on an equal basis?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the position of per capita payments was certainly discussed.

• (1445)

In terms of equalization and therefore obviously the derivative effect on the CHST, all provincial finance ministers, regardless of whether they were from a recipient province or a province that was contributing, discussed the issue with a great deal more understanding, a great deal more compassion and a great deal more vision in terms of what Canada is all about than has been expressed by the member of the Reform Party.

* * *

[*Translation*]

TAX POINT TRANSFERS

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday, when questioned about the federal government's refusal to withdraw from health, welfare and education as requested by Quebec, the Prime Minister said that he found Quebec's tax point transfer proposal unacceptable because this formula would not give the federal government enough credit with Canadians.

My question is for the Minister of Finance. Does the Minister of Finance agree with his Prime Minister and is he also more interested in ensuring the federal government's visibility than in reducing overlap and improving services to the public?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Quebec government's proposal will not eliminate overlap and duplication. Mrs. Marois was proposing a tax point transfer that, given Quebec's expenditures, would be exorbitant.

At the same time, if we look at the possibility of transferring tax points to all the provinces, it must be said that Quebec would lose out. This formula would benefit wealthier provinces such as Alberta and Ontario, but not Quebec. I should add that Mrs. Marois did not talk about equalization, which is a very important element of federal transfers to Quebec.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the Quebec finance minister's proposal has but one objective: to stop this government's drastic cuts on the backs of the most disadvantaged in our society. That is all.

If it is not to ensure visibility at the expense of services to the public, how does the minister explain that, in the area of job training, his government's decentralization effort is limited to sending cheques clearly identified with a maple leaf directly to the unemployed, thus bypassing the Quebec government?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I am a little surprised that the hon. member has raised the issue of training, since the Minister of Human Resources Development met with his counterpart, Mrs. Harel, only yesterday to discuss the offer. This is a

very open and practically revolutionary offer from the federal government, not only to transfer responsibilities to Quebec, but also to really work together to better train our workers.

* * *

[*English*]

RADIO–CANADA INTERNATIONAL

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, many Canadians are upset by the announced closure of Radio–Canada International.

I would like to ask the Minister of Heritage: What is the justification for this closure and how will the government replace this excellent means of publicizing Canada in eight languages in 126 countries for only $16 million per year? What can the minister do to save this important service?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the CBC has made its position known with respect to RCI in the context of budgetary restraints.

The government, however, is waiting for the mandate review committee to report. The report will make decisions both on the future of international activities of the CBC and on the future budget of the CBC.

* * *

IMMIGRATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, this morning when the minister of immigration announced the government's plan to deal with the defaulted sponsorship obligations, he said that he did not support the use of bonds as it was unfair to require the money in advance, up front.

However, the minister did not address the use of non–cash surety bonds. Considering the great expense for the taxpayer in pursuing defaulted sponsorship through the courts, would the minister not agree that the use of these bonds would be a more cost effective way of ensuring compliance with the terms of sponsorship?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member started her press conference by suggesting that the government's package and the government's actions were very much on the right course. After some reflection and after some hint, she comes to the House of Commons and suggests that perhaps a bond is the way to go.

• (1450)

We have the right package, the right mix. We reflected on the bond and believe it is far preferable to proceed with this package, keeping in mind that some 85 per cent to 90 per cent of sponsors who undertake a sponsorship agreement live up to their end of the bargain. The question became: How do we address the remaining 10 per cent, the few who abuse, and try to make the few fewer?

That is why we are tightening eligibility. That is why we are tightening abuse to social programs. That is why we are enforcing the enforcement side of the procedures. We also said that should these procedures not work, and we believe they will, at that time we can contemplate additional action.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, while the minister states his government's intentions to deal with defaulted obligations, he still faces a very major hurdle with the IRB, the Immigration and Refugee Board. I remind the minister of a decision it made with Mohammed Assaf, who was permitted to sponsor his second wife despite being $32,000 in arrears.

What is the value of the initiative that he announced earlier today when the IRB is deliberately undermining his department's objectives?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, one case does not make a good law.

The member agreed with the direction of the government's package today. We consulted all the provinces. We always hear from that side of the House, the apologists usually for the provinces. In this case each province suggested that the federal government not introduce a bond at this time.

Therefore, in the best interest of co–operative federalism, this package was developed in concert with the provinces, which the hon. member always suggests we do. I wish her and her colleagues a merry Christmas.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Industry. Recently, the industry and heritage ministers took drastic measures to create a competitive environment in the satellite broadcasting industry.

Next week, the government must render its decision regarding the appeal filed by the Stentor group, which is asking for the elimination of the privileges provided in the regulations and tariffs for other telecommunication companies affiliated with American giants such as Unitel, Sprint, Fonorolla, regarding competitive services, including long distance calls.

Will the government take measures to ensure that companies that are 100 per cent Canadian can enjoy the same regulations and tariffs as companies affiliated with an American partner?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am not sure I understand the question as it relates to competition. As the hon. member knows, our policy is to promote competition. We set up a system for satellite and telephone services that promotes competition, so as to reduce costs for users and improve the choice of services for consumers.

[*English*]

In the next short period of time we will be moving to license companies that will be introducing a new range of personal communication services. It will provide additional competition not just in those new services but for existing cellular providers as well.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, obviously the minister did not understand my question.

I asked him if the government would pledge to ensure that companies that are 100 per cent Canadian would be subjected to the same regulations and tariffs as American companies concerning long distance calls, without having to go to the CRTC.

• (1455)

I have a second question I would also like him to answer. Why is it that Canadian companies do not have access to the American market in the same way that American telecommunication companies have access to the Canadian market, and will the minister pledge to contact his counterpart, Mickey Kantor, to settle the whole issue?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first let me thank the hon. member for her question. In fact she highlights the point that Canada has one of the most open and liberal telecommunications markets in the world.

Just last spring the vice–president of the United States stated that the U.S. was prepared to offer reciprocal treatment to countries with an open investment climate. For our part, we have allowed 20 per cent foreign control at the operating company level and 33.3 per cent at the holding company level. We are still awaiting reciprocity from the United States.

The member will know that international forum discussions are under way, leading to a general agreement on trade and services. I assure her that the government stands committed not only to open trade in telecommunication services but to ensuring that Canadian firms have as much access to the U.S. market as U.S. firms have enjoyed to the Canadian market.

* * *

CORRECTIONAL SERVICE CANADA

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my question is for the Solicitor General of Canada. I have been reviewing the latest Correctional Service Canada amended version of the commissioner's directives. Apparently inmates who are "unemployed because no program assignment is available" are entitled to level one pay.

While ordinary Canadians receive a lump of coal for Christmas by way of UI cuts, I would like to ask the solicitor general why awarding his own special UI for murderers, rapists and other prisoners behind bars is such a sensible thing.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the system for the pay of inmates is currently under review. It is the intention to make changes in the levels of pay available to prisoners, which is basically something based on the work they do and the courses they take.

I thank the hon. member for his point. I will certainly see that it is brought to the attention of the staff of Correctional Service Canada.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is hard to trap this fellow.

Pay for no work is a very poor example to set in prison. However I have another quote from the commissioner's directives. It comes under the inmate pay category and reads:

> Overtime shall—be awarded where no other reasonable alternative exists.

Would the solicitor general tell us poor Canadians why this ridiculous overtime policy for prisoners is in place?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this is the same question the hon. member asked my parliamentary secretary the other day. I have asked for a report from Correctional Service Canada on the justification for it. I will be happy to bring the information to the attention of my hon. friend.

I might also say in this connection that I want to make sure my hon. friend and all his party recognize that we appreciate very much his leader's good wishes of a few minutes ago, but of course we reject the unacceptable premise to his leader's question.

EMPLOYMENT INSURANCE

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, the Minister of Human Resources Development has undertaken a number of important actions to stimulate job creation.

With regard to the employment insurance package it has become evident there is a problem when calculating the benefits of employees who have a gap in their work weeks or a break in their employment record because of seasonal work.

What does the minister intend to do to address this inequity in the system?

• (1500)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the member for Restigouche for the question and particularly for the concern he and other members have expressed.

I said in the House on Monday when we had the resolution and we referred the bill to committee that where there are particular problems or difficulties, such as the gap the member identified, it is a problem that can be fixed.

With the constructive help of members of Parliament and others the committee, when it begins its hearings on January 6, can be seized of the problem. I commit to working very closely with the members of Parliament on that committee to make sure a solution is found.

* * *

TRANSFER PAYMENTS

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Finance has been meeting with other ministers of finance of the provinces and territories. I think the minister will agree there is no doubt that the Canadian health and social transfer is a major restructuring of programs and relationships between the federal government and the provinces and territories.

Seven out of ten Canadians in a recent survey said they felt social programs were essential to the Canadian identity and over 70 per cent supported national standards. This interest by Canadians is substantial. Over 70 per cent of Canadians feel very strongly about social programs being part of Canada.

What steps will the minister take as the federal minister to encourage the provinces, territories and the federal government to make a more transparent process available so that all Canadians can know exactly what the Canadian health and social transfer agreements are and will be in the future?

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, the Minister of Human Resources Development is engaged in discussions with his provincial colleagues on establishing a common vision, a common set of values and objectives in terms of the protection of our social programs and the direction in which they would like to see these go. This is a very important forum. Indeed it is a very important process as Canadians in the 1990s take a look at themselves and what the basic values are that they would hold to.

In addition, the hon. member will remember that in the budget announcement we set out that the principles of the Canada Health Act would remain intact. In fact this government intended to go to the wall to protect those. At the same time we established the principle that one could not impose a residency requirement in terms of welfare. The wisdom of that has already been demonstrated by the Minister of Human Resources Development in events of which the member has full knowledge.

It is very important to note that the Prime Minister, the Minister of Health and I have stated unequivocally, and I repeated this yesterday in a meeting with the finance ministers, our intention to not allow that the cash would eventually run out to nothing as is currently the case. Our intention to stabilize the cash component of the CHST is a very important component.

The Speaker: My colleagues, in just a few minutes I am going to hear a point of privilege but there are three housekeeping statements I would like to make.

The first has to do with one in our midst, as he has been for a number of years. We have a member of the class of 1943. I refer of course to Mr. Stanley Knowles. I wonder if you would join with me in wishing this table officer of ours a very pleasant holiday season, very, very good health and a very happy Christmas with his family.

Some hon. members: Hear, hear.

• (1505)

The Speaker: Second, if today is really the last day we will assemble as a House of Commons, every year at this time your Speaker has a very small reception to which I very cordially invite all of you to attend, of course your duties permitting. This will take place after question period.

Third, we as a House of Commons and we as a nation have come through a very stressful period for ourselves, for our families and for our fellow citizens. I do hope all of you will be able to get a good rest and come back—no pun intended—ready to do battle again when the House reconvenes.

As for myself, I do wish all of you who are here a very joyous Christmas and a very blessed New Year. I thank you very much.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in the holiday spirit may I offer my best wishes to all of the members of this House, inquiring at the same time of my good friend the Leader of the Government in the House what he has in mind for us next week, outside of holidays?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am most pleased to respond to my esteemed colleague.

[*English*]

Mr. Speaker, I also wish to reciprocate on behalf of all members of the House to your very good wishes. We appreciate your efforts as Speaker and as the visible manifestation of the dignity of the House of Commons. Mr. Speaker, in that regard even though you tell us to be ready to do battle when we come back, we will also remember your admonition a few minutes ago that we avoid any efforts at poleaxing.

The House will sit into this evening to consider the preliminary prebudget report of the finance committee. It will then adjourn until February 5, save for one or two royal assent ceremonies that may be required in the interim.

On February 5 it is our intention to call report stage of Bill C–101, the transportation legislation. We will treat this bill as our first priority with a view to obtaining early passage. We would then turn to the other items that are at advanced legislative stages, including: Bill C–52, the public works and government services reorganization bill; Bill C–78, the witness protection bill; Bill C–88, the internal trade legislation; Bill C–94, the fuel additives legislation; Bill C–95, the health reorganization bill; and any bills that might find their way back from the other place for our further attention. We will consult our friends opposite about the exact order of this business closer to the event.

Finally, this work is however well ahead of us. We have now finally reached the time of year when members of Parliament are permitted to be as joyful as everyone else in the country. Therefore, I think it appropriate to conclude by thanking members on all sides of the House for their co–operation during the year, to thank our hard working staff for their faithful service and to wish everyone a pleasant holiday season and a happy, healthy and prosperous New Year. Thank you, Mr. Speaker. Merci beaucoup à tout le monde.

PRIVILEGE

COMMENT DURING DEBATE

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I rise on a question of privilege. I regret to delay your annual reception of the season but this is a matter which I take quite seriously. This point of privilege arises from the debates of December 12, 1995, page 17557 of *Hansard.*

• (1510)

I was delivering a speech on Bill C–110 and talking about the importance of the two founding peoples of this country. My last sentence was: "Without the French settlers and explorers who came to this country we would not have what we have today". A member of the Reform Party chose to intervene by saying: "We would have something far better". I found that to be a most regrettable racist slur against certain citizens of Canada based on their—

Some hon. members: Oh, oh.

The Speaker: My colleague, I have a copy in hand of the *Hansard* to which you referred. Although I find that the statement may be objectionable to you and perhaps to other members, I had a chance to look it over earlier today in anticipation of what might be said.

I wonder if the hon. member could go directly to the specific point that she thinks her privileges have been infringed upon.

Ms. Catterall: Mr. Speaker, if I may I would like to go to the point of the privilege of the House and myself as a member of the House rather than as a personal affront to me as an individual member.

I find that kind of remark being made in the House derogatory to the dignity of the House. It calls into question the honour, integrity and character of this House.

The Speaker: My dear colleague, I can understand that some hon. members will take offence in the course of the debate. We in this House have been elected to speak for our constituents and we have very strong feelings.

In this case, I find it difficult to zero in precisely in that the House itself has been offended by the language. We have heard language even today, my dear colleague, which was very strong. It would be the intention of your Speaker to give within the bounds of dignity and decorum as much leeway as we can to hon. members to express themselves.

I would rule that although the hon. member would surely have a point where she is feeling badly about something being said, at least at this point from what I have read this is a point of debate and not a question of privilege.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, Beauchesne's citation 26 states, and I read selectively: "A question of privilege is a question partly of fact and partly of law, the law of contempt of Parliament". It is in reference to that section that I believe the hon. member's comments should be thought of this afternoon.

The law of contempt of Parliament has been applied on several occasions by Speakers when people have made comments in regard to particular groups, such as derogatory comments against women and derogatory comments against others. I suggest very respectfully that the Speaker in the past has identified those comments as being unacceptable and offensive to the dignity of the House. Similarly as it applies to courts of law, a very senior judge of this country for having made equally unacceptable remarks only days ago was told promptly by Canadians and by our Minister of Justice that remarks of that nature were not acceptable.

For that reason and for the offence to the dignity of the House that I referred to in the citation of Beauchesne, I feel that the hon. member for Ottawa West is quite appropriate in bringing this unacceptable comment to the attention of the House.

The member in question who made the comment, in order to restore the dignity of this House, should be rising now and withdrawing the remark. We could all then turn the page as we have done on many occasions in the past and restore the dignity of this Parliament.

• (1515)

The Speaker: The difficulty your Speaker has, and I refer of course to *Hansard*, is that following the statement by the hon. member for Ottawa West it reads: "an hon. member". We could have something far better. I do not have the name of an hon. member.

If the government whip is suggesting that I should encourage a greater choice of words, I wholeheartedly agree. Time and time again I have risen in the House to ask you to be very judicious in your choice of words. These types of words are offensive to many members of the House of Commons. But your Speaker has no recourse to any specific member.

Again I make the admonition, the encouragement if you will, of the government whip that I am sure other members would want to say in the House.

I encourage members once again to choose carefully their words. Your choice of words can be very cutting and very inflammatory. That is why, my dear colleagues, I encourage you to be very judicious in your choice of words. I hope this type of thing will not arise again in the House.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, a point of order.

There have been discussions among political parties in the House. If you were to seek it, I believe you would find unanimous consent to revert briefly to presenting of reports from interparliamentary delegations. I understand that one delegation was not ready this morning and that a member from that delegation would like to report briefly.

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

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report of the Canadian section of the Assemblée internationale des parlementaires de langue francaise concerning the seminar exchanging views and information on parliamentary democracy in action, held at Port–au–Prince, Haiti, November 16 to 19, 1995.

GOVERNMENT ORDERS

[*English*]

FINANCE

INTERIM REPORT OF STANDING COMMITTEE

The House resumed consideration of the motion.

The Acting Speaker (Mr. Kilger): The hon. member for Elgin—Norfolk had approximately four minutes remaining.

Mr. Knutson: Mr. Speaker, for the benefit of those who were not listening when I was interrupted by question period, let me briefly summarize what I had said in the first half of my speech.

The first point I made was that the deficit needs to be addressed aggressively. We need to go to a balanced budget and then to a surplus budget as quickly as possible.

However there are pressing and very urgent social problems within our country, the primary one being child poverty. I would like to encourage the Minister of Finance to put in February's budget approximately $500 million for a child poverty program through the tax system, called a working income supplement which would put approximately $1,000 a year in the hands of the poorest working families with children. I am sure this money would be well spent.

The question then arises, if we believe in cutting the deficit, balancing the budget and in spending more money on child poverty, where does the money come from? I would suggest that one area is the defence department.

Let me say before I get to my main point that I do not disagree with defence spending per se, only some parts of defence spending. We need to look at the defence budget and decide that we cannot have a military that tries to be all things to all people.

For example, we should get out of the submarine business. Recently, members may have read in the newspapers that Canada's three submarines which represent our fleet were in Halifax for maintenance. I do not know if any of us felt any less secure knowing the submarines were in Halifax. I do not know if any of us will feel less secure tomorrow if we got out of the submarine business.

Certainly we do not need to buy old British submarines for Canadian defence. We do not need the subs to hunt subs. Since the cold war ended there has been a shortage of submarines to hunt as the Russians are mothballing their subs.

• (1520)

We do not need subs to patrol our coastal waters. Our existing frigates and destroyers, brand new coastal patrol vessels, underwater sensor sites, radio intelligence sites and non–military assets such as the coast guard and fishery patrol vessels are more than capable of doing the job.

We do not need the subs to monitor UN embargoes. The frigates and destroyers can do that already and they can do it more effectively.

We do not need subs to patrol Arctic waters. The sub DND wants to buy cannot operate under the ice.

Cutting defence spending is only one example of where money can be found to not only address the deficit but also address child poverty. Another example is the whole issue of tax expenditures.

The finance department and the Minister of Finance need to understand that a tax expenditure is just like an expenditure in any other area. For example, the money we spend on subsidizing RRSPs or RPPs, which are retirement savings plans, through the tax system unduly benefit the well to do. They do little to improve the life of the middle class and lower economic classes. In short, they are a benefit primarily for the rich.

I want to make a very modest proposal. We should lower the limits for RRSPs and RPPs to $10,500 from a current level of $13,500, a level that is set to rise to $15,500. This very modest proposal would not affect anyone making less than $70,000 a year annually and, by the department's calculations, would raise approximately $550 million for the national treasury. This is exactly the amount of money that I suggest the government spend on a child poverty program.

At this time of Christmas I want to ask Parliament, the Minister of Finance, the government and all Canadians to look at our country and recognize that we have many assets to build on. I am optimistic for our future. I recognize that not all Canadians are participating in the economic recovery and the ones who are most vulnerable are children and children going hungry. Notwithstanding that we have other urgent and pressing concerns like balancing the budget, we should address the needs of those children in this year's budget.

Mr. Peterson: Mr. Speaker, I rise on a point of order. A petition has just come into my hands and I would like to ask for unanimous consent to table it quickly.

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

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

SRI LANKA

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I have a petition signed by many citizens of Ontario asking Canada to use its good influence to ask the Sri Lankan government to abandon the military option and instead go to political negotiating with the LTTE as equal partners and to intervene immediately to have Manickavasagam Suresh released from prison.

Thank you very much, hon. members.

GOVERNMENT ORDERS

[*English*]

FINANCE

INTERIM REPORT OF STANDING COMMITTEE

The House resumed consideration of the motion.

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, this is my first opportunity to address Canada's 35th Parliament. It is a special day for me and the constituency I represent. I would like to take a moment to thank the people of Niagara Falls who two years ago elected me as their federal representative.

It is with great pleasure and eagerness that I take part in today's debate, a debate which focuses on pre–budget consultations that the finance committee, of which I am a member, held across Canada.

The consultations began in Ottawa on September 19. Since that time the committee has listened to testimony from Canadians from coast to coast. The committee chose to use round table discussions to allow as many groups and individuals as possible to participate.

On the agenda, among other specific subjects, were the charitable sector, agriculture, monetary policy, education, health, the hospitality industries and tax expenditures.

The committee heard from labour unions, business and health organizations, charitable and community groups and also from many individual Canadians.

This year I was part of the group which heard from people in eastern Canada. The people who appeared before the committee offered sincere, diverse and far–reaching advice. One thing struck me: the eastern Canadians who made presentations to the finance committee expressed the same concerns, aspirations and dreams as the people in my beautiful constituency of Niagara Falls—Niagara–on–the–Lake. Their hopes and dreams are for a better future; a future in which unemployment will decrease, the economy will turn around and their children, when they graduate from high school, college and university, will find gainful employment. There is widespread agreement among Canadians to work together to achieve a better tomorrow.

• (1525)

Spending has to be cut, but at what price? We do not want to hurt those who can least afford it, as we see happening in Ontario. Canadians are ready to make sacrifices in order to have a better future.

By the end of the third year of the Liberal government's mandate the Minister of Finance will have fulfilled the party's election pledge. The finance minister will have shaved $18 billion off the deficit we inherited in 1993–94. We will have been successful in cutting the deficit almost in half, from 5.9 per cent to 3 per cent of the GDP.

We know that mindless cuts without concern for the consequences or the need for adaptation may result in short term savings but they can also result in long term costs.

The third party presented to Canadians a slash and burn approach in its shadow budget which considered the elimination of the deficit in one year. At what cost? Canadians know that the Liberal government is proposing a lean but not mean approach. The government is committed to ensuring that the most vulnerable in our society will be protected. The fundamental problem remains a debt that is growing faster than the economy. Reducing the deficit remains paramount for job creation and growth.

There can be no more effective job creation program than getting interest rates down. In turn, there is no more effective way to get interest rates down than to decrease the deficit. A stronger economy contributes to the reduction of the deficit and the debt burden. The benefit is mutual and it will continue to grow with time.

Our strategy has been to apply a steady, significant, but orderly reduction of our deficit. We have seen the results. Today we have learned that the inflation rate is steadily declining. That is good news for all Canadians. However, we must remember to be careful. We must remember that transfer payments to provinces and to seniors amount to approximately 20 per cent of program spending. The most important thing remains the changes we have put in place to reduce the deficit. Those changes have been structural and have resulted in a lasting improvement in the way government does business.

In the 1995 budget we made a commitment to reduce the size of the unemployment insurance program by 10 per cent. We have done that. Once the reform of the unemployment insurance program is fully implemented, the cost of benefits will be reduced by approximately $2 billion a year. More important, $800 million will be reinvested in employment benefits to help Canadians get back to work.

When the system is fully implemented the reform will create approximately 100,000 to 150,000 jobs per year. In high employment areas, such as the riding which I represent, the new system will be phased in to ensure that individuals and communities have the time to adjust. These reforms are about fairness. They are about helping people get back to work.

We recognize, with understandable satisfaction, that 500,000 full time jobs have been created since the election, but we know that much remains to be done. Government alone cannot create jobs. We can, however, generate and foster the right environment in which the private sector can grow and create desperately needed jobs.

In last year's budget we stated clearly that one of the main objectives was to ensure the affordability of a public pension system. We know that over the next 20 years Canada will undergo big demographic changes. If we want to maintain our pension system well into the next century we need to start planning now for future changes.

• (1530)

The government has started discussing with the provinces how best to secure the future of the Canada pension plan. We have to ensure this key part of our social fabric be sustained well into the future.

In the 1995 budget the government reduced subsidies to business by 60 per cent, or $2.3 billion. Most of the remaining assistance is in agriculture where it takes the form of contributions to insurance schemes.

The government will continue to examine spending on subsidies so as to ensure that it is limited and, most important, justified.

I would like to talk about a subject that is on the mind of every Canadian, our tax burden. We all agree taxes are too high. However, our present economic situation does not permit us to reduce taxes.

We must realize that difference in tax burdens with other G–7 countries reflect differences in the composition of tax revenues. Some countries rely more heavily on revenue such as payroll taxes than Canada does.

Higher taxes in Canada have always reflected a higher level of public services. We may say without hesitation we have the best social programs in the world. These programs have without doubt contributed greatly to the fairness and quality of life enjoyed by all Canadians.

For this reason we must ensure everyone is paying his or her fair share of taxes. Again, the Liberal government has taken steps to ensure this is the case, first by enhancing enforcement efforts in the underground economy through increased audits and reporting requirements; and by eliminating tax advantages that do not meet the standards of fairness expected by all Canadians.

As Canada moves forward we have the duty to help Canadians better understand the value they receive for their dollars and how that value contributes to defining Canada as one of the best countries in the world.

We have to prove to Canadians their government is becoming more efficient. Canadians will expect us to balance the budget as well as lay out our vision for addressing the national debt. They want us to be frugal. They want us to end costly duplications in our programs.

I believe, as does my government, that Canadians want us to act, to show leadership and courage, to do what is needed while still maintaining the Liberal philosophy.

We must be successful. We must meet the expectations of Canadians. Only in this way will we achieve the stability and confidence level that Canada must enjoy to sustain economic growth, to meet the challenges of the 21st century and create lasting jobs.

I believe this can be achieved and I will continue to work with the finance committee, the government and, most important, with the input and help of my constituents to reach these important objectives.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I welcome the opportunity to speak in this debate on the prebudget consultations.

These consultations, held annually by the Standing Committee on Finance, are an opportunity for Canadian taxpayers to comment on the budget being prepared by the Minister of Finance. Individuals, groups and associations come to testify before this committee which in turn reports on the hearings and submits a report to the Minister of Finance. The minister is to examine the report and take into account the concerns expressed by the witnesses.

That, in a nutshell, is the normal and transparent process that is supposed to give taxpayers a chance to have some input as the Minister of Finance prepares his budget. Unfortunately, that is not what really happens. Actually, neither the committee nor the minister seem to be really listening to what taxpayers have to say. The minister's budget plans are prepared behind closed doors, in the course of limited and private consultations. In other words, the game is fixed.

• (1535)

Every year in February, the minister pulls out his budget like a rabbit out of a hat. Every February, it becomes increasingly obvious that all these public hearings and consultations held across the country are a sham and just a way to make the federal government look open and transparent.

The committee seems to draw its inspiration from what is said by the minister during his annual visit. In fact, instead of reflecting the comments of a host of witnesses, the committee's reports, from which the Bloc Quebecois has always dissociated itself, more or less repeat what was said by the minister. In other words, the committee submits the minister's own recommendations to the minister. How is that for an open and transparent process?

Basically, the sole purpose of this exercise is to legitimize the actions and decisions of the minister. I remember the big show our millionaire minister put on when he was about to bring down his first budget in February 1994. On the news we saw the minister getting out of planes on to a windswept tarmac and telling taxpayers: "You see, I am consulting across the country, and it will all be reflected in my budget". Fat chance. The 1994 budget, the one in 1995 and the one next February are all concocted behind closed doors in those ivory towers, well away from those so–called public consultations.

Only a small group has a say in the process, and it includes the richest taxpayers in this country, who are of course friends of the minister and buddy–buddy with the big decision makers.

We have here a kind of mafia whose members all know each other and have certain mutual obligations. This inner circle controls, decides and leads the way while protecting the assets, money and profits of its members.

This regrettable tendency to give certain interests an edge is obvious from every decision made by the Liberal government and especially by the Minister of Finance. The minister shamelessly attacks the average taxpayer and lets the wealthy and large corporations get off scot free. And yet this government says it wants to act in a way that reflects the principles of justice and fairness. I am not so sure it is prepared to do so. It is clear that this government favours the principle of letting the rich get richer and the poor get poorer.

I remember, for instance, the cuts the government made in social housing. As soon as we took our seats in this Parliament, we condemned the federal government's withdrawal from this sector and more specifically, its decision to withdraw from direct financing of the construction of new social housing.

When members opposite were the official opposition, they made a big fuss and condemned the inhumane and immoral policies of the Conservatives.

Despite the pleas of the ordinary folk needing public housing and the most disadvantaged, who, in most instances, are obliged to spend more than half their salary on housing, despite their pleas to the government, the knife continued to cut. The result is that the disadvantaged really need housing, and the provinces are left picking up the pieces left by the federal government's departure. This sort of behaviour is shameful.

The minister's guidelines remain unchanged. They are easily spotted. They are aimed directly at cutting the deficit on the back of the small and medium taxpayer, while the deficit is being dumped in the backyard of the provinces. You do not need to be a specialist to see what the government is up to. The deficit is the bugbear of the Minister of Finance, and he will stop at nothing to get rid of it. One of his preferred ways to reach this goal is to dip into the unemployment insurance fund, which both employees and employers contribute to.

The surplus in this account, called the Unemployment Insurance Account, will help reduce the deficit by $5 billion. These $5 billion have come out of the pockets of employees and employers and off the backs of the unemployed, and yet there has been no word about creating steady jobs.

This amount is planned for 1995–96 and for each of the coming years as well. It is a tax, a hidden tax. So now we can call unemployment insurance, deficit insurance. The aim of the plan has been totally changed, indeed twisted, by the Liberals.

• (1540)

In this regard, a task force on unemployment insurance set up by the Canadian Institute of Actuaries wrote in its report that since the UI program is financed entirely through employee and employer contributions, the current formula distorts the government's budget results.

In short, the CIA maintains that the UI account balance should not impact on the federal deficit, as is now the case. The surplus for the 1995–96 fiscal year is $5 billion. If we adjust the deficit to allow for this surplus, the budget deficit will be $37.7 billion instead of $32.7 billion.

The Liberals' decision to take money from this account is unacceptable. Discontent is simmering in several regions of the country. The workers feel that this money belongs to them.

The Minister of Finance himself admitted that the annual surplus was used to reduce his deficit, thus contradicting our dear Minister of Labour who, not so long ago, was denouncing the federal government, who recently told *Le Point* that the government was setting this surplus aside and that it would not be used to reduce the federal deficit. What awareness. What a great demonstration of ignorance by our favourite minister, the Minister of Labour no less.

Another issue that is very much in the news these days is the old age pension. To reach its so–called target of reducing the deficit to $17 billion by 1997–98, the federal government will have to cut spending by several billion dollars. After presenting his economic and fiscal update, the Minister of Finance clearly expressed his intention of cutting old age pensions as part of the review announced in his last budget. Again, it is the little guys that will pay the price. The Bloc Quebecois is vigorously opposed to these cuts that will affect our seniors' living conditions.

It is clear that workers, the unemployed, seniors and the poorly housed will not be part of this circle of friends I referred to earlier. It is also clear that the federal government is not listening to these people or addressing their concerns. Except, of course, before an election, and especially before a referendum in Quebec. The Minister of Finance deliberately delayed his appearance before the finance committee this year, precisely because he did not want to upset these people. Political courage is certainly not a trademark of this government. There is a lack of backbone on the other side of the House.

Another Liberal strategy to reduce the deficit is simply to dump it into the provinces' backyards. The federal government is reducing its deficit by forcing the provinces to increase theirs. Instead of tackling the total deficit supported by taxpayers, it decentralizes it. The federal government's annual cuts of $2.4 billion in unemployment insurance have led to an increase in provincial welfare spending. And next year will be worse, with Ottawa making further cuts to UI totalling $2 billion.

Furthermore, cuts to transfer payments announced in the last budget will translate into a $2.5 billion shortfall to the provinces in 1996–97 and a $4.5 billion shortfall in 1997–98. Federal policies are forcing the provinces to either increase their deficit or reduce services provided to the public, because cuts to UI make the provinces' expenditures go up, while cuts to transfers make their revenues go down.

Given how dramatically transfer payments will be reduced, shovelling is hardly the appropriate word to describe what the

federal government is doing with its deficit; it is literally blowing it in the provinces' backyards. The government is no longer using a shovel, it is dumping the deficit by the truckload onto the provinces. But this approach does not seem to bother them. Quite the contrary; that is just what they wanted.

On this subject, I should read you a few lines of what Jean–Robert Sansfaçon wrote in last Saturday's edition of *Le Devoir*. Under the headline "How clever", Mr. Sansfaçon says that Ottawa is giving up its role as far as redistributing wealth is concerned. On the issue of budget management, and thus the deficit issue, he writes: "The provincial government's task is never easy. Unlike Ottawa, the provinces cannot just decide what amount they want to put on the UI and pension cheques they write out. The provinces are responsible for most first line services, the main ones being health and education. At this critical stage of the deficit reduction effort, the provinces now see themselves forced to review the very framework of these services, a task the difficulty of which escapes federal mandarins".

• (1545)

And he goes on to say that Pauline Marois was right when she pointed out that the future state of the province's finances is closely linked with cuts to federal transfers. While these cash transfer cuts may not affect Quebec, they will not result in a drop but rather in a shortfall of $650 million for Quebec next year.

Listen closely to this: "Note the intense lobbying effort carried out by elected representatives from the have provinces, through the federal cabinet, to get Ottawa to abandon its plans to use transfer programs other than equalization for wealth redistribution purposes. If Ottawa should give in to this pressure, budgets earmarked for social assistance and post–secondary education would not only be in free fall, as expected, but they would be distributed on the sole basis of provincial population. The Quebec government and every member from Quebec must oppose this Machiavellian way of redistributing wealth, since the per capita income is generally 25 per cent higher in have provinces than in have not provinces".

According to Mr. Sansfaçon, the UI reform in itself is a breach of the redistribution principle. The have provinces are the ones that stand to benefit the most, at least from a macroeconomic point of view, from the rollback of premiums paid by higher wage earners, who are concentrated mainly in have provinces, the integration of part time workers and the tightening of qualifying conditions.

The editorial writer of *Le Devoir* continues by saying that it is easy to identify the reasons why the federal finance minister is so optimistic in terms of meeting his goal of a $32 billion deficit for this year. He writes: "Revenues are increasing, the clean–up in the departments has just begun, and most of the cuts were passed on to the provinces and to the UI account. Later, of course, pensions will also be targeted. The UI surplus alone will allow Ottawa to reduce its annual spending by five or seven billion, between now and the next recession, with no equivalent reduction in the contributions made. This is like a jackpot. This is another way, although certainly not progressive or productive, of collecting taxes".

He continues in the following manner: "The more time goes by, the more the Martin method becomes clear. Ottawa will reach its budget goal without too much difficulty. That goal seems rather modest, considering that the way to meet it consists in forcing the provinces to tighten the belt of their people, forcing the unemployed to work, and forcing small businesses to pay for a UI program whose surplus will primarily be used to reduce the deficit. It was simply a matter of thinking about it".

Do we need to add anything more to an article that so clearly tells us about the intentions and the ways of the finance minister? Social justice and tax fairness are not compatible with the Liberals. Not everyone, and I am referring to the rich and the companies that get away with not paying any taxes, is being asked to contribute to the deficit reduction effort. The deficit is being reduced at the expense of the masses, and that includes the poor, the have nots, as well as the low and middle income workers.

It is the provinces that have to do the dirty work, since they are stuck with the every day reality and must provide the essential services to the public. Yet, in spite of cutting in the transfers to the provinces, the central government continues to impose its guidelines and national standards to the provinces. This becomes unbearable and unacceptable.

To counter the federal way of doing things, Quebec's finance minister, Pauline Marois, suggested two days ago to her federal counterpart that his government withdraw from the social assistance, post–secondary education and health sectors. Under Quebec's proposal, the federal government would give the province tax points instead of an annual cheque, which gets smaller every year.

• (1550)

An interesting suggestion, one I might even call an intelligent one. The Minister of Finance is always being asked for suggestions, and he got one, but unfortunately for Quebec he clammed up afterward. A great pity, for everyone could have learned more about what to expect in coming years in those areas of activity.

Let us keep in mind that this suggestion would have allowed the provinces to do away with much of the overlap and would have given Quebec more leverage for creating an integrated job creation policy. In Quebec alone, duplication accounts for $3 billion annually, a real waste of money, but a waste that the federal government seems to absolutely insist upon.

The federal government's rejection of Quebec's demands is deplorable, since its role in these matters does not make much sense. It collects taxes, then it gives them back to the provinces, but sets certain standards for them. Before the referendum, Quebecers were promised change. Great possibilities were dangled before our eyes. This suggestion by Quebec offers an opportunity to fulfil those promises. But, unfortunately, the promises dwindled into meaningless noise.

The Bloc Quebecois has nothing against reorganizing public finances, but we do disagree with the approaches the Liberals are taking to that reorganization.

We have always asked the government to review the entire taxation issue, among others, in order to reach some form of equity. Far from complying, the Liberals are instead heading off in the opposite direction, as I have already shown.

My colleague from Saint–Hyacinthe—Bagot has brought to my attention the fact that, 40 years ago, 50 per cent of the taxes collected by the federal government came from businesses, and 50 per cent from individual taxpayers. Today barely 8 per cent comes from the business sector and the rest, 92 per cent, comes from the pockets of individuals. This is a scandalous and unfair situation, and what is even more scandalous is the federal government's lack of action to correct this totally imbalanced situation.

In addition to the imbalance that exists between the corporate and the individual taxpayers, there are great injustices and inequities within those groups. Where businesses are concerned, the last federal list of those companies who paid no tax came out in 1987. No wonder it was the last one, since it was becoming an embarrassment to the government. The list included the names of more than 90,000 businesses that did not pay a cent in taxes. Not one cent. In 1990, according to the federal Department of Finance, 77,000 businesses that made a profit managed to avoid federal taxes.

The Bloc Quebecois has constantly asked the federal government to introduce a real minimum tax on corporate profits. The minimum tax is not aimed at increasing the tax burden of businesses. It is only intended to deal with profitable businesses that manage to avoid paying taxes altogether. It's purpose is also to be fair to businesses that pay taxes and, as good corporate citizens, do not try to evade that responsibility.

We see the same problem with individual taxpayers. The wealthy can take advantage of every loophole in the tax system and legitimate provisions such as tax shelters as well, to evade the obligation to pay their share of the government's revenue requirements. Such opportunities are of course not available to the average wage earner and the middle class.

The Bloc is asking the government to proceed with a complete review of the tax system, the purpose being to simplify and restore equity to the tax system by eliminating tax provisions that give big corporations and high income taxpayers an unfair advantage. The whole issue of tax conventions with countries that are considered to be tax havens should be reviewed as soon as possible. According to the auditor general, hundreds of millions of dollars in tax revenue are lost to the government as a result of these tax treaties.

These are suggestions the finance minister should act on without further delay. The minister should get rid of all these tax loopholes pronto, but he does not seem to be very anxious to do so. The minister is like Santa Claus, sporting the Liberals' colours and exuding their generosity as he hands out presents in the form of family trusts, tax havens and tax shelters of all kinds.

• (1555)

We have to look at where he comes from. He is not from the North Pole, as people might think, but, rather, from the Power Corporation Pole. I think that has some effect on his intentions and decisions.

We have proposed other avenues to the federal government. We want it to cut the annual budget of the Department of National Defence by an additional $1.5 billion starting next year. The Bloc, because Quebec receives only 17.4 per cent of national defence expenditures, insists that cuts be made in such a way that Quebec will end up with 25 per cent of defence expenditures.

And what about the Hibernia project, with the government pouring hundreds of millions of dollars into it year after year? We call on the government to withdraw from this financial sinkhole.

Finally, it is vital the federal government and its Minister of Finance listen to the people. Come out of your shell and tune into reality. The provinces, Quebec among others, and the people of Canada are talking to you and making perfectly reasonable requests. Pay attention and get in gear. Stop pretending so stupidly in an effort to keep alive a federal system, which is off track and out of touch.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, a budget captures society's priorities. That is why the prebudget consultation process is so important. It is an opportunity for Canadians to share their perspectives with us. From those views and from our principles as a government we can find the path that will work best.

This consultation process has proven to be much better than the old ways of doing business. The road to budget day was once a darkened one. It was full of secrecy. Canadians suspected some special interest groups had ways to get their opinions into the process but that for most of us it was a closed system. Canadians had no way to contribute to this essential part of our democratic process. Gladly that has changed for the better.

The budget deserves to be the subject of debate well before the late winter afternoon when the Minister of Finance tables it here. And so it is. The government has used a comprehensive prebudget consultation process. It is open, inclusive and fully in keeping with our commitment to govern with honesty and integrity.

Everybody recognizes we face a fiscal crunch. I hosted several town hall meetings and consultation meetings in my riding on the nation's finances. Hundreds of people came together to talk about economic and fiscal issues facing the nation. Together we discussed the steps the government has taken thus far and made recommendations for future change.

We looked at where the government was going with its fiscal agenda. We considered questions of jobs and growth. We discussed government spending. For all the diversity in the detailed comments there was a surprising degree of consensus on the big picture. People are quite supportive of the steps the government has taken to get our fiscal house in order.

A message that came through loud and clear was that people support budget cutting but not mindless budget cutting. The people who took part in my consultation process felt we all benefit from government programs and services. We all benefit from an activist government, a government present in communities. That is true whether we are rich or poor, young or old.

The people of York North want what most Canadians want, fairness, balance and a government that responds to people, one that can support initiatives that spring from communities.

Let us be clear. We live in a time of immense change in society, in the economy. Canadians are trying hard to adapt to that change but they want to know that if needed, the support of government is there to make it happen. This view is echoed throughout society. I have heard it continuously since I have been a member of Parliament. When I co–chaired the joint House of Commons–Senate task force on youth I heard young people asking for vehicles of opportunity to help them make the transition from school to work. We followed through on the very firm commitment we made in the red book by establishing Youth Service Canada and youth internship programs. Today I am pleased to say over 30,000 young people are benefiting from these programs.

• (1600)

We also kept our word that we would enhance summer employment programs for young people. As a result of the government's policy, the youth employment development services budget has actually been increased to $236 million, an increase of $43 million. When we consider we are living in fiscally challenging times, this speaks volumes to the fact that the government does not simply say young people are our future but actually acts by giving young people sound financial support and programs that not only get them working but make our country work.

As a member of Parliament I have had the opportunity to be a member of the human resources development committee. I travelled throughout the country listening to what Canadians had to say about our social security system. In that role I found Canadians wanted to modernize and restructure our social security system, a system which needs a complete overhaul since we are living in a time quite different from the time when the system was created.

Our goal was to meet three objectives: to help Canadians get jobs and keep jobs; to help the most vulnerable in society; and to make the system sustainable. In large measure this has been achieved. I point to the announcement by the Minister of Human Resources Development a few weeks ago in which he outlined a program of employment insurance which focuses on getting people back to work. The net impact of this program is the creation of approximately 100,000 to 150,000 new jobs for Canadians.

More important, it is not the old income support measures program of the past. It is a program which embodies two very important elements. One is income support, which will give people the security they need in their everyday lives as they face the challenges of unemployment. There is also an active element which speaks to the re–employment measures, the five tools under the $800 million human resources investment fund. The five tools are the targeted earning supplement, the wage subsidy, skills and loan grants, self–employment assistance and job partnerships which will be done with local governments and organizations. It is a way to empower local communities and individuals to make the type of decisions which better reflect the local reality.

I will talk a bit about the self–employment assistance program initiated a few years ago. It has been extremely effective. Since we formed the government in October 1993, 34,000 people have participated in the program. These formerly unemployed Canadians have created jobs for themselves and have created jobs for an equal number of Canadians. That means 68,000 jobs have been created through this very active program which the Government of Canada instituted.

This is the type of positive change Canadians have been calling for, empowering individuals to make the right decisions which better reflect their reality, their needs and their aspirations as responsible Canadians.

This is where we are turning the corner as a government. We are returning a great deal of faith to the people. We are returning faith and hope to the communities. We are telling people we have faith in them and know they understand what it takes to make things happen as individuals and as communities.

We have taken other measures. We have modernized the delivery of services. We have increased the points of service for Canadians. We have moved from approximately 400 to 700 human resources development centres so that the needs of people at the community level, rural and urban Canada will be better met.

• (1605)

Returning to young people, we have increased funding for the Canada student loans. As institutions increased their tuitions, it is extremely important for the federal government to help our young people attend universities and colleges, to make sure they have an opportunity to acquire the required skills to compete in a very competitive global market.

That was an increase of $2.5 billion over five years, an increase of approximately 57 per cent in funding. Those are positive measures that speak to the needs of Canadians as they try to adapt to the change I spoke about earlier.

One of the most interesting aspects of being a member of Parliament, whether we are talking about the red book or federal government policies, is to make those things living documents in our communities. I will share with the House some of the initiatives through the partnership of local stakeholders at the community level I have been able to adapt to my community.

My community has been blessed with affluence, good schools, a good educational system. We are also blessed with a vibrant community that understands the new economy really speaks to technology, making sure people have the skills to adapt to the technological change that has occurred.

Therefore we initiated in partnership with local stakeholders, colleges, local schools boards and community organizations the York North technology strategy which has been extremely successful in making sure our local businesses are now on the global web to attract business from abroad, to generate jobs locally and engage in the production of high value added products. At the same time through the investments we have made in human resources investment funds we can provide people with world class skills so they can compete in the global environment.

The people of York North are certainly behind the government to continue on the course it has charted so far.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is a pleasure on behalf of my constituents to speak on the budget process.

Just after I was elected I went on a talk show in Vancouver. One of the first things the host asked me was whether I would deal with the budget deficit. He outlined how minister after minister had set targets to deal with the deficit and each time they had failed. I said we would deal with the deficit, that we are determined to deal with it, and that as time goes by we will meet the targets.

I congratulate the finance minister who has not only met the targets he set but has exceeded them. In the last fiscal year the target in terms of the deficit was $39.7 billion. The minister was $2.2 billion below the target he set.

The finance minister has done what many finance ministers in the past have failed to do. He has also done other things which the Liberal Party promised during the election.

• (1610)

For the first time in history a finance minister went to Canadians and consulted with them before introducing a budget to make sure Canadians had an input into the budgetary process to ensure we were able to take the excellent ideas Canadians economists had to ensure their ideas also were reflected in the budget.

There is no doubt Canadians said they want us to deal with the deficit and the debt. During the election we said we would bring down the deficit to 3 per cent of GDP. So far we have that carried out. There is no doubt we will make sure we meet the targets set out in our election platform. We will be able to deliver on one of the fundamental promises of the Liberal Party, to bring the deficit down to 3 per cent of GDP.

We have a further vision which the Minister of Finance has articulated. We will bring the budget to a zero deficit. As we all know, in order to deal with the debt and the deficit problems we must deal with the deficit first. The way to deal with it is to bring it down to zero. That is our vision. Each two years the minister sets the targets to ensure we are working toward that goal.

One of the fundamental reasons it is so important is the targets we meet send a very loud and clear message to the international community. We will not set targets we cannot meet. We are realistic. There is a political will that once we set these targets down we will meet them.

In the international community that develops confidence, the government is willing to do what it says. In creating confidence in the international community we will ensure the fundamentals which help us create jobs and growth will be there. Lower interest rates, which we have seen, and long term interest rates on mortgages have dropped because we have sent a very loud and clear message to the international community that we will work toward a zero deficit.

When the government set those targets it was very important to look at the principles on how we were to achieve our deficit targets. There is a whole variety of ways. Some of our colleagues on the other side have given us their views. We rejected their views when they said we should do it in three years and that we should bulldoze many government programs and destroy some of the infrastructure and some of our industries in the science and cultural areas.

We said no. We have to look at the core government, what we should be doing as a government, what we have to build on, what we have to expand. What provinces and the private sector can do we should let them do. They will be more efficient in providing the service. We have to look at what we as a government need to do. There is a role for government in many areas.

We had a comprehensive review from the bottom up. We looked at the services government provides. We looked at what things we need for the future of the country and where we have to be strategic in strengthening our position as a government. Many things that may have been relevant in the past in today's economy, in this day and age, may not be relevant. We looked at boards. Many boards were eliminated. We realized we really did not need them.

This was a grassroots approach, from the bottom up, to evaluate all government services. We went to those people and asked where duplications were. Let us take the duplications out. Where can the municipalities provide the service better? In recreational harbours, in the area of fisheries, it does not make sense for us to manage those from Ottawa.

We are going to the local governments, to the provincial and the municipal governments. If they are not interested we will go to the private sector and say: "Do you want to manage these assets? You can do a much better job". It will create opportunities for small business people and opportunities to further develop that asset.

• (1615)

We have gone through a comprehensive review from the bottom up. At the same time we do not want to forget to restore the fundamentals and provide better core services to ensure that we improve on them.

We also want to look at the infrastructures that make us competitive. One of the reasons we are competitive is because we have strong infrastructures. We do not want to destroy those. We want to develop them. We want to make sure our telecommunication infrastructure is the best in the world. We cannot escape the global economy which is moving very quickly.

As a trading nation where one out of five jobs is created because of trading, we have to be competitive to ensure that the total infrastructure, whether it is telecommunications, transportation or the information highway, is competitive and able to compete with the rest of the economy.

That is why we want to strengthen these areas. The Minister of Industry has done a tremendous amount of work in strengthening our position in the area of information technology. One of the great opportunities that exists around the world is in the environmental industry. There is going to be a tremendous amount of opportunity there. Strategically as a country we must make sure we have the skills, the knowledge and the infrastructure to take advantage of the environmental industry.

The Prime Minister has taken a leadership role in the area of trade to ensure that Canadian businesses have the opportunity to take advantage of all the new opportunities that exist in the global economy by going to different countries. At the same time, we need to develop a trade infrastructure so that we develop an information system which tells our small and medium size businesses that there are certain opportunities that exist in all the different sectors in which we compete.

In meeting with people from many other countries, they have told us that Canadian technology is among the best in the world and that we can compete with anybody out there. However, we need to know the opportunities. We need to ensure that we build a system of information so that right at a computer people will be able to access all the tenders that are coming up and all the opportunities that exist in the rest of the world. We need to develop our trade infrastructure so that we give those opportunities to small and medium sized businesses.

What we have done in this government is fulfilled the promises we made to Canadians by ensuring that we meet our deficit targets and that we have a vision for this country to bring the deficit to zero and to build a country where small and medium sized businesses will take the opportunities that exist in the global economy. That is the way we are going.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to address some of the recommendations that were made in the report from the finance committee as a result of the prebudget hearings.

I want to come at this from the point of view of regular, average, everyday people who may not know a lot about economics but know a lot about what kind of country they want to live in.

It is my view that the real reason for governments, constitutions, laws and all the institutions is for the people. What that says to me is that these institutions and the economy and all of those types of things need to be in alignment with the values of the people. Therefore, when we go about designing these institutions, budgets or laws, we need to know what the values of the people are.

It is a failing of these committees when we travel around that we do not always get input from regular people who express where they are coming from on these things.

• (1620)

It is not just the finance committee but all committees. It is a peculiar problem governments have: the ability to really hear what people are saying. It is something we have to work harder on. Certainly my party will try to help in doing that.

All members go out once in a while to sit in the coffee shops and talk to people about what life is like in the real world. There are some fundamental values that people believe in. I know in my riding they believe in certain values. I would hazard to say that is probably true for most MPs.

One of the values people really believe in is equal treatment. For instance they believe that under the taxation system people should be treated equally and people should be equal before the law. They oppose anything that seems to grant special privilege to anybody.

That certainly applies to politicians when it comes to their pensions. The hon. member who just spoke was one of the MPs who gave up his pension. I appreciate that. I think that MPs have to lead by example because people do not want to see MPs or people in government getting treatment that is not available to everybody. They believe in equal treatment and they want to see that as one of the principles that finds its way into all institutions.

People believe in the merit principle. They feel that if you work hard and produce more, then you should be rewarded. Value should be recognized in all the things we do. People feel very strongly about this. People are tired of getting beaten up for working harder and producing more.

When we have the heavy tax load we have in this country, sometimes people feel that way. This is why people are escaping into the underground economy or leaving the country with their talents and going to other countries where the taxes they pay are not so high. In some cases companies go to tax havens around the world to avoid taxes. The merit principle is a value that needs to find its way into all the legislation that comes out of the finance department.

I also think people believe in prudence. People who are successful in their own lives have to be prudent. They have to spend less than they take in. That is something that the government should be working toward doing. I know the hon. member across the way has said the government is working toward doing that but I would argue it has to go much faster still.

People feel very exposed as a result of how slowly the government is going toward its zero deficit target. It has not even announced when it will get there. It will be sometime in the next millennium I guess. Of course between then and now there will be an election. There could be another referendum. There could be a peso crisis. There could be a recession. There could be all kinds of things that affect those targets.

If the deficit is not dealt with right away people will be left exposed. Canadians' values are opposed to that. They want to have a government that lives within its means, that is prudent, that ensures any decisions made are dealt with by the current generation and that a large debt is not passed on to the next generation. That is something the average person is very much opposed to.

There is probably a lot more to discuss on values. People in this country are compassionate and they are compassionate in a particular way. They really believe that people who cannot look after themselves need to be looked after. That does not mean a social program for everybody. It means a social program for those people who cannot look after themselves. That is a small minority, not everybody. We do not need to have universal social programs.

I do not think anybody today would deny that universal social programs have not only helped create some of the social problems in this country, where through some of the programs people are actually paid to remain idle. I would also argue that they have really and truly added to the debt problem.

There was a time when people thought money grew on trees. Programs were expanded—

Mr. Silye: Can I have one of those trees?

Mr. Solberg: The member for Calgary Centre wants one of those trees. We all do. Those days are long gone. We have found that we were not actually even paying for those programs at that point. We were only using borrowed money to pay for them. Now the chickens have come home to roost and the country has a massive debt.

• (1625)

I have talked about some of the values. People want equal treatment. They want the merit principle in all of their legislation and in all of their laws. They believe in prudence. They are compassionate and want those programs directed toward the people who need them the most.

I wish to talk about those values in the context of the current situation. The situation is certainly not ideal. It would be wonderful if we could go back and wipe the slate clean and build new institutions based on some of these principles we have talked about but we cannot do that.

We are in a situation today where we are really in a huge hole. The debate is $570 billion. Something like 44 per cent of the total federal and provincial debt is foreign owned. In a very real way a great deal of our sovereignty as a nation has been lost as a result of that.

The deficit will be somewhere around $32 billion this year. In other words, we are going to go into the hole another $32 billion. By the end of its mandate the government will have gone into the hole by another $100 billion.

If interest rates are 6 per cent or 7 per cent, it means it is going to be $6 billion or $7 billion, but that is only at the end of it. Over that period interest has also been accumulating and it will probably be much higher than that, say $11 billion or $12 billion.

Because we have waited so long, it means we are going to have to cut a lot deeper into our social programs. It means we cannot hold out any hope for tax relief for Canadians for a long time. People are crying for some relief from taxes.

If I may touch on our current situation, by the end of the mandate Canadians will be paying $51 billion a year in interest on the debt, about 37 cents of every tax dollar. That is a tremendous amount of money to devote just to paying interest.

Furthermore, we are mired in an unemployment rut. Unemployment now is about 9.4 per cent. A lot of people would argue that the biggest single reason for that high unemployment rate is the tremendous drag on the economy because of that massive debt and deficit.

Hon. members across the way say we should have a job creation program. The auditor general has slagged the government for these job creation programs because they do not work. All they do is add to the debt and that makes the situation worse.

All of these problems have to be looked at. We have to figure out how we can address them, using some of the values I have talked about just a minute ago.

I wish to talk a little more about our current situation. The Canada pension plan is in serious trouble, about $500 billion in debt. Taxes are rocketing up. In fact, they have gone up more in this country than in any other G–7 nation over the last several years. The situation is very serious.

I will conclude by pointing out that as members go home for Christmas and sit down with their families, with their children and grandchildren, they should remember exactly why we are in this place. We are here not to serve only our generation, but also to right all the wrongs that we are loading on to the shoulders of the next generation.

May I suggest that down the road what people really want is not a budget. What they want is some confidence that they will be able to retire some day, that they will be able to find a job, that they will be able to have enough money in their pockets after taxes so that they can put their kids through university. It is those human things that ordinary people desire every day. When you talk to people around the country this is what they tell you they want. This is my recommendation to the finance minister.

As we close, may I wish all the members in this place a very merry Christmas and all the best in the new year.

• (1630)

The Acting Speaker (Mr. Kilger): I thought for a moment the hon. member for Medicine Hat was going to begin borrowing on the time of the member for Calgary Centre. I am sure he wants to speak about the trees and the other matters that were raised earlier.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I have bad news. As of one o'clock yesterday the doomsday clock which registers the national debt was $570,947,551,591.35. The second bit of bad news is that we cannot continue to borrow indefinitely. The third bit of bad news is that the public has lost confidence in the government's ability to manage money and resources and to live within its means as taxpayers have to do.

The greatest single impediment to job creation today is the plethora of taxes Canadians face. Governments must reduce the tax burden on individual Canadians and businesses alike. The debt and the interest expense to service the debt are jeopardizing the viability and flexibility of existing programs. That is why we need a balanced budget.

Instead we have a finance minister who mocks the Reform Party for presenting a balanced budget over three years as if the value and the merits of a balanced budget are insignificant and irrelevant.

When the finance minister talks about rolling deficit targets as a percentage of GDP and meeting those soft targets, he brags about bringing in a deficit of $37.5 billion. I would really be proud of that. That is exactly what the Conservatives projected two years ago, which of course ended up being $42 billion or $43 billion.

As a businessman I am astonished to find that even when the country is facing a debt of close to $600 billion reality has not set in with the government. Government overspending is the number one problem facing the country and the finance minister will not act decisively. He had his opportunity two years ago. He had his opportunity last year. He would rather concentrate on deficit financing, continually spending more money than we bring in. People are tired of this.

In 1968 the great and wonderful Liberal leader by the name of Pierre Elliott Trudeau ran across the country and got everybody to vote for him. That is when the Liberals started to run deficits. He ran a deficit. He came in at $17 billion. When he left it was close to $200 billion. Then Mulroney came in and left the country with a debt of about $508 billion.

Now we have this Liberal government. After four or five years, when it leaves two years from now, its legacy to the people of Canada will be to leave a debt over $600 billion. I hope the government can be proud of that.

As the member for Medicine Hat said earlier, the debt and interest costs are hurting the country. They are the drag and the slag that will put us into receivership somewhere down the road. Our grandchildren will have to pay off this huge debt. We have a responsibility to do something about it.

Having been in the Standing Committee on Finance I listened to a number of witnesses who attended the prebudget consultations, which is what we are really debating today, and some interesting comments were made. I am looking forward to the budget to see if the minister listened to the submissions.

One day 10 leading economists appeared. I heard a number of them say—and it was consistent across the spectrum—that it was good a target had been set and achieved. That sends a good message to the financial community. There is nothing wrong with that. We needed some confidence. We needed to restore some credibility in the finances of the country. To that degree the finance minister has done that.

However the hole is dug and it is deep. Now he will continue to dig it deeper but just dig slower. To solve the problem he has to stop digging. That is what a balanced budget means. Somewhere we will stop digging in two years, three years or whatever.

This year a number of economists suggested a 3 per cent target next year in terms of the deficit as a percentage of GDP, 1.5 per cent the year after and zero in the third year. That is what they suggested.

Another economist suggested that we should get off of the treadmill of deficit as a percentage of GDP and talk about debt as a percentage of GDP. Overall as a nation it is over 100 per cent. As a federal government we are at a 73 per cent debt to GDP ratio. Even the Governor of the Bank of Canada at a public accounts meeting said it was too high and we had to get it down.

• (1635)

For two years we have had economic growth. The wonderful targets the minister has been achieving have not been through spending cuts. Ninety per cent of them have been through growth. He is deceiving the Canadian public by taking all the credit for it. The businesses and the people of Canada should take credit for it.

The minister is playing games with the people. The projections by the economists were 2 per cent or maybe 2.5 per cent in the short term. That is not very much. If the inflation rate is close to or higher than the growth rate, the economists say that what is needed is a surplus budget. That is what the Governor of the Bank of Canada says, but the government will not do that.

I recommend a balanced budget. Yes, we will have a deficit. The finance minister should tell the Canadian public when he will have a balanced budget and when he will address the real problem in Canada, the high levels of taxation. Then he can start promising Canadians tax relief. Then he can start promising Canadians a break in their pocketbooks. Then we can start looking at ways to stimulate the economy which will lead to money in the hands of the people and will let them do it, rather than the government.

I recommend the three, 1.5 and zero scenarios, versus the four, three and two which the finance minister is now proposing. When the finance minister introduces his budget he will use the same principle he used before: selective hearing.

The business community was also at the standing committee hearings and stated the same thing. It stated that government targets were too soft and that it was moving too slowly. The finance minister has a tough job. It is difficult to predict and I respect the job he has to do. However, the business community said that if the finance minister was to err, he should err on the fast side and not on the slow side. It is better to err by cutting quicker than by cutting slower.

He is cutting slower. He is trying to ensure that he keeps his support in Ontario. He is not telling the truth to Ontarians. We cannot afford to make the payments for the programs that we are delivering at their current levels. We have to reduce them. We have to help the truly needy. We have to start helping people to become more responsible for themselves. The way to do that is to be honest with them. We must tell them that somewhere down the road, if we bite the bullet now and learn to live with less, we can lower spending and then we can begin to lower taxes. That is what we have to achieve.

The finance minister also promised in the election campaign that he would get rid of the GST. The Prime Minister said they would kill it and that they hated it. The Deputy Prime Minister said she would quit if the Liberals did not get rid of the GST. That was addressed at the hearings as well. People were saying: "Let us do something about the GST". Two years ago the recommendation was to harmonize with the provinces: combine it, have it at one rate, hide it and the people would forget about it.

No. Any tax should be visible. As a matter of fact, not only should taxes be visible but our spending should be visible. We use income tax too much to deliver social and economic benefits when we should be taking those tax breaks out of income tax and putting them in a spending envelope under direct spending as they did in New Zealand.

We would then have politicians and bureaucrats who could be held accountable. We would have a politician saying: "This is what we will spend on welfare. Here is my envelope. It is a $5 billion program". The deputy minister and the bureaucracy could help the politician do that. It would create an incentive for bureaucrats to succeed. They could actually receive a bonus if they helped the politician achieve the objective. The morale in the public service is very low. I critique the departments of Revenue Canada and Customs and Excise and I could tell stories that would scare people.

In the next budget I would like to see a solution to the GST that is better and different from harmonization.

The finance minister is doing a disservice to the country if he will not accept complete responsibility, present a balanced budget and tell Canadians when they can expect tax relief. I hope in the next budget he will not be accused by opposition members of having selective hearing in committee.

• (1640)

He should have listened in that committee the way I listened. I know what he has to do. We know what he has to do. Let us hope he has the courage and the conviction to be honest with the Canadian people and deliver a budget that is tough but fair and that he cuts out this crap about draconian reform measures.

Compliments of the season to everyone in the House.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, first off, I wanted to wish you, Mr. Speaker, and my colleagues a merry Christmas and a happy New Year on behalf of my constituents.

[*English*]

The people from St. Boniface wish everyone a merry Christmas, a happy New Year and the best of the holiday season.

[*Translation*]

As the member for St. Boniface, I am pleased to speak on this prebudget consultation initiated by the Minister of Finance. This is something new, it has worked for quite a while now and it yields results.

I met business people in my riding to ask them questions and get their opinions and viewpoints. Groups of advisers, young people, women, adults also keep me informed on such matters. I will share a number of their observations with you and my colleagues this afternoon.

Before I begin, I would perhaps briefly describe the political context we find ourselves in at the moment. In one corner, we have the official opposition, the Bloc Quebecois, which is trying to separate Quebec from Canada. This is their grand mandate, their top priority. In the same corner, however, and this is part of the political context, we have the Reform Party, often described as Darth Vader's party.

[*English*]

It is described as the Darth Vader party, the slash and burn, the fear, the gloom and doom party. I would like to attend one of its Christmas lunches. I expect its members would be talking about what they do in New Zealand. They would be telling their grandchildren that they had better enjoy the turkey on the table as there may not be one later as a result of the debt. It must be quite a get–together.

This is the same party that is lusting for power. It wants power so badly that it is prepared to do virtually anything to get it. I would suggest it is losing. Why? It was in the same corner as the Bloc on the national unity question. It is the first time in the history of Canada that a supposed federalist party has not co–operated with the government. Why? It is quite simple.

Reformers thought that was it. They thought there was no other way to go in terms of their own personal objectives than to try to be seen as a viable party. Therefore they abandoned the people of Canada. That is really very unfortunate.

The finance minister has hit every target he has set and has gone beyond. Have they ever admitted it? No, of course not. Why not? It is because it is a desperate party. The most recent poll shows the Liberals have over 50 per cent popularity in the polls. The Progressive Conservatives are next at 15 per cent. Then the Reform and the Bloc are tied. The Bloc in Quebec has the same percentage of support from Canadians as does the Reform Party. That is why it is a desperate party.

We have talked about new politics. In one article the leader of the third party referred to the Prime Minister as having a screw loose. That is the new politics. Rather than talking about creating jobs, national unity or the deficit and debt, they asked several questions in the House of Commons about the coat of arms because we added a ribbon that enhanced it. Those are the kinds of priorities they have set.

This is the kind of political context within which we find ourselves as the Minister of Finance prepares to bring forth the budget. When the Minister of Human Resources Development brought forth a policy and a meaningful initiative in terms of child care, what did they do? About 10 days ago they thought it was a great idea. Today they tried to score political points and it was not a good idea.

I have a final example of this contexte politique of which I speak. Some 11 members of the Reform Party voted for a veto for British Columbia. The others did not want it for British Columbia. However they did not vote for the veto in the main amendment. That party is having some real difficulties getting its act together.

• (1645)

When I talked to the people in my constituency most of them talked about a lot of taxes. Many felt that they were overtaxed. There is not much surprise there. Virtually everyone believed that a wealthy person could avoid paying his or her fair share and wanted me to bring that to Parliament. Most felt that rich Canadians should not be allowed to pay little or no tax. That comment was made frequently. Most felt that rich corporations should not be allowed to pay little or no tax. There were many comments about banks, from their perspective, not paying their fair share. If banks are paying their fair share, they had better get out there and do some work because very few people I met thought that was so.

There was little agreement with respect to what was meant by a rich person. I indicated that they felt rich corporations and rich people should pay their fair share and they indicated perhaps those with an income in the neighbourhood of $55,000. They did not define that with respect to corporations but are in the process of doing so.

There was a unanimous feeling that people earning profits on their investments in Canada could avoid all or some Canadian taxes. They wanted that perception brought to the House of Commons.

Over 75 per cent of the people who responded to my question felt that those who had student loans and were now working but had not paid back the loans should be pursued by every single means available to the government. This was a point which really grated on them. They felt strongly that if someone owes the government money and is in a position to pay it back, then they should.

They were pleased with some of the actions the government has taken with respect to family trusts. They want to make sure that continues, that there is no way for those who have a lot to be shielded from fair taxation and that they contribute to the Canadian economy.

All participants believe there is a significant black market economy in Canada that should be stamped out. Some people thought it was probably large enough that if those people started to pay taxes according to the rules then we would not need further tax increases and we might be able to have tax decreases and at the same time eliminate the deficit. That is how strongly they felt. I understand this is a contentious issue. I also accept and appreciate that it is poorly quantified and we are not sure how large it is.

They were concerned as well that elected representatives receive a just remuneration, but that it be just and not overly generous. They feel it is time for everyone to tighten their belts.

Another interesting point is that they wondered whether or not inheritance taxes were something the government should take a look at. Again, I share what they said with the House.

The auditor general has a great deal of credibility. Therefore whenever the auditor general raises any issue with respect to wastage or other similar matters they believe that governments must follow that up very carefully.

[*Translation*]

I would now like to share with you another point they have often made, the whole issue of the GST.

During the election campaign, the government promised major changes. The people I spoke to clearly indicated that they wanted these changes to be made. Some of them agree with the chartered accountants, who favour a single national sales tax. According to them and to my constituents, there would still be significant advantages. They claim, for example, that Canadian businesses would save at least $400 million a year on regulatory compliance costs. They also maintain that provincial governments would save $100 million a year on administration costs. That is a lot of money.

They mention other benefits as well. They feel that the time has come to implement a national sales tax because, and I quote: "The federal government is committed to replacing the GST; several provincial governments have come out in favour of harmonizing the sales tax so that they can reduce their own costs—the business community, in particular small and medium size businesses, would benefit from a much simpler tax system; and the public wants governments to eliminate overlap and duplication".

• (1650)

This organization made these comments, which are supported, I must add, by my constituents.

I have some final remarks.

[*English*]

My advisers, the people with whom I talked, pointed out that large organizations no longer are involved in growth in terms of employment. They believe that small and medium size businesses create jobs and that therefore they have to be favoured.

[*Translation*]

They claim that "the system" is promoting job cuts because there is no incentive to keep those who are working. They think that exemptions and tax reductions are required, perhaps mostly in the early days of a venture, when setting up a business. They think that incentives—not so much tax incentives as grants, because these are supposedly more practical and easier to manage—are needed.

They add that research and development ventures should be encouraged because they promote the development and production of unique products sold not only in Canada but also abroad. They argue that this activity should be facilitated through tax measures. They would want us to cut through government red tape—too much paperwork, too many forms to fill out. They want us to promote the idea that it is a good thing to create your own job.

[*English*]

They talked about grow bonds and asked: What about mentors for entrepreneurs? Do banks lend enough to small and medium size businesses? They pointed out that in service to entrepreneurs those kinds of programs that are available are not always the most relevant or the best. They asked whether or not cuts in training, if they were to occur, would hurt the Canadian economy. They made the same point with respect to research and development.

They want to make sure we protect the current successful businesses. They want to make sure they are able to transfer their businesses to their families without significant loss or difficulty. They point out that the U.S. and other countries are providing great tax breaks to Canadian companies that want to go there.

Finally, they want us to talk to influential people in the business sectors who are creating jobs to see how they are doing it so that we can do it.

I could speak about this for hours because my constituents gave me a lot of good advice but unfortunately I have to share my time.

Mr. Speaker, I wish you the very best of the holiday season.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, it gives me great pleasure to speak on this prebudget debate and provide some input on what I believe we should see in the minister's budget come next February. May I start by indicating there are four principles that the government and the minister should follow in formulating this budget.

First, there is a recognition by most members of this House and by most Canadians that the deficit is too large, that it is not sustainable in the long run and it must be reduced and eventually eliminated as quickly as possible. That is the first principle.

Second, the fiscal actions undertaken by the government should concentrate on the expenditure side and should not entail general tax increases.

Third, in the formulation of the budget the government has to remember that it has a dual responsibility. Yes, it has a fiscal responsibility, but it also has a social responsibility to individual Canadians and to society at large.

The fourth principle that should be followed is that the actions undertaken in the budget, as are many of the actions taken by this government overall, must have as their primary focus economic growth and job creation.

Our government clearly recognizes the need to act on the deficit. Looking at the record, it is very clear. When we took over government the deficit was almost 6 per cent of our gross domestic product. The following year it went down to 5 per cent; the following year it is going down to 4.2 per cent; the year after that it is going to 3 per cent. As the minister announced in his testimony to the finance committee, he has set the target for 2 per cent in the fiscal year after that.

• (1655)

That is a 66 per cent reduction in the short period that we have had an opportunity to control this government. It is not the slash and burn the Reform Party would want to see us undertake. It is responsible economic management and the emphasis is on the word responsible.

An important point, as the minister pointed out in his budget presentation, is that in fiscal year 1997–98 our borrowing needs as a government will have been reduced to $7 billion, the lowest borrowing needs of any government since 1969. We are going to be accomplishing something that has not been accomplished in almost 30 years.

As far as reducing the deficit, as I mentioned earlier, there are two tracks to take: a reduction on the expenditure side and an increase on the revenue side without increasing the tax rate. This would be done by bringing growth to the economy so that no individual taxpayer is paying more but that there are more taxpayers. That is the key to eventually controlling our deficit, economic growth and ensuring that there are more Canadians working and more taxpayers.

Obviously our goal is to bring the deficit to zero. As I said earlier we are going to do it in a responsible way and not in a slash and burn scenario that members of the third party would like to see us undertake.

Our actions in the last two years have certainly indicated our commitment to this. The minister in his February budget last year announced a 19 per cent decrease in government operating expenditures. He announced a 14 per cent reduction in the civil service. These are real fiscal measures that are leading to a reduced deficit.

To arbitrarily slash and burn when we are dealing with our budget is not appropriate. There are things we spend money on that are important, that are investments in the future and things that we have to continue. For instance, there is the expenditure on the research and development tax deduction. Sure, the government can save money by totally eliminating that but those savings are false savings. It might save us something for the first year or the second year. If we stop research and development it is going to have a very negative impact on our ability to compete and a negative impact on our ability to generate jobs and income in the future. We have to be careful that we do not simply slash and burn but that we remember there are important things that government undertakes that we need to continue to spend money on.

There is something this government and I know the minister will not do. They will not follow the advice of the Reform Party or the advice or actions of the Conservative government in Ontario to substantially reduce expenditures on social programs to control the deficit or so that tax decreases can be passed on to the most wealthy in society. That is something we will not do as

a government. That is not responsible control of our deficit. It is not responsible fiscal management.

As I said at the beginning of my speech, the government has a fiscal responsibility. We do have an obligation to bring the deficit under control. However, we have to remember that we also have a social responsibility to individual Canadians. It is important to remember that behind every line on the federal budget there are real Canadians, real people who are impacted by those changes.

To simply do as the third party has suggested, to slash and burn without any consideration for what the impact on those people is going to be, is not acceptable. It is not responsible fiscal management. It is quite easy to go down the list of expenditures and look at an arbitrary number and simply strike it out. We cannot do that.

We spend money on medicare. We spend money on our old age security system. We spend money on an employment insurance system. We do it because it is right. We do it because it is important. The suggestion that we should just simply slash and burn is not acceptable.

• (1700)

Another principle is that we have to work toward job creation. As the minister has said on many occasions, it is not a contradictory concept. Bringing the deficit under control, bringing fiscal management to the country will help in job creation. A lower deficit will lead to lower interest rates. Lower interest rates will lead to more business investment. It will lead to more consumer confidence. It will lead to more consumer spending. It will lead to more jobs. It will create a climate in which small business men and women can create jobs. It is important for job creation that we control the deficit.

Our policies for job creation work. Since the government came into power it has created 450,000 new full time jobs. The unemployment rate has dropped by 1.7 per cent. We are making progress. There is much to be done, but it is important for Canadians to realize we are making progress.

If we compare that progress with the previous government, which stated during the election campaign that there would be absolutely no opportunity to increase employment until some time in the next century, we realize how well this government is doing. However, as I said, we still have much to do.

I will repeat the four principles which I believe the minister must take into account when formulating the budget. First, the deficit must be reduced as quickly as possible. Second, the actions he undertakes should emphasize growth strategies, expense reductions and he should stay away from across the board tax increases. Third, we must act in a manner which fulfils our fiscal responsibility but also fulfils our social responsibility. Fourth, our actions must encourage economic growth and job creation.

We have a long term vision of economic prosperity. We do not have a vision which simply slashes and burns without any kind of responsibility for expenditures. We will ensure the deficit is brought under control. We will also ensure we invest in Canada, in our children and in our children's children.

[*Translation*]

The Acting Speaker (Mr. Kilger): Before leaving the Chair, I would like to take this opportunity to wish you all a merry Christmas and a happy New Year.

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I am pleased to take part in this debate on prebudget consultations and to draw the attention of this House to certain statements made by the Minister of Finance in tabling his economic and financial update this past December 6.

In tabling the document, the minister said "Our fundamental problem is still a debt that is growing faster than our economy. Twenty years ago, the federal government's debt to GDP ratio was 19 per cent. Ten years ago it was 50 and today it is close to 75 per cent".

This spiralling rise in the debt began, as we all know, during the long Liberal reign between 1968 and 1984. In 1970, Liberal finance minister Edgar Benson reported an annual deficit of $800 million. In 1976 the figure was $6.3 billion, and at that time the Liberal finance minister was Donald Macdonald.

When the present Prime Minister took over the finance portfolio in 1978, the annual Canadian deficit reached $12.6 billion, or 5.2 per cent of that year's GDP.

But the record for catastrophic management, leading the country to the brink of bankruptcy, goes to the ineffable Marc Lalonde, who was then Prime Minister Trudeau's right hand man. When he was Minister of Finance in 1983, Mr. Lalonde chalked up a deficit of $32.4 billion, or 8 per cent of the GDP, while the next year he hit a record high of $38.3 billion, or 8.6 per cent of the GDP. That year the deficit exceeded 50 per cent of the government's fiscal receipts of $75 billion.

• (1705)

After that, the Conservatives tried to put the brakes on the relative size of the annual deficit, but were unable to reverse the trend toward indebtedness year after year that had been started by the Liberals.

The Minister of Finance has today given us a sermon on the virtues of thrift, telling us "Yes, we will reach a zero deficit".

How can the people of this country trust a Minister of Finance whose party made its name by starting Canada on this downward slide of successive annual deficits, this vicious circle of endless debt? It is a bit like putting a professional safecracker in charge of a vault, and giving him the keys to boot. How can one believe a minister whose party has led this country to the brink of social and political ruin?

The minister promises us a deficit of 2 per cent of the GDP in 1997–98. The federal deficit has never been less than that since 1974, one might well point out. What is more, the Government of Quebec's deficit was already 2.4 per cent of the GDP in 1994, $4 billion—far too high.

Quebec's deficit was still under the 2 per cent level in 1988, 1989 and 1990, but even that resulted in far too great a debt. In other words, the federal government's efforts to get its deficit down below that 2 per cent of GDP figure will still leave it far too high, given the accumulated debt to date.

This promise to get the deficit down to $17 billion by 1997–98 comes from the mouth of a Liberal minister. When we look at his party's record on government administration for the past 25 years, we might as well kiss that promise goodbye.

Recent economic trends do not coincide with the picture painted by the Minister of Finance. After a strong increase in 1994, economic activity in Canada has been stagnating since early 1995. As Statistics Canada pointed out: "Except for increased exports, the economy remains weak. Domestic demand continues to languish for the third consecutive quarter".

The weaknesses in Canada's domestic economy are visible everywhere: business investment, housing starts and so forth. When the latest economic and financial update was presented, the finance minister also announced that he would meet his pseudo–target of a $32.7 billion budget deficit for 1995–96 and $24.3 billion for 1996–97. He even talks about bringing the federal deficit down to $17 billion in 1997–98, when the next federal election is due.

The Unemployment Insurance account will show an annual surplus of about $5 billion for 1995–96 and each subsequent year. As was pointed out by my Bloc Quebecois colleagues who spoke previously, by including this surplus in its consolidated revenue fund, the federal government is in fact using it to artificially reduce its annual deficit.

Without this surplus, the actual deficit for 1995–96 would be $37.7 billion instead of $32.7 billion, as forecast. With $37.7 billion, the federal deficit is not that far away from the historic highs of $40 billion and more we saw all too frequently in the past.

To defend the minister's decision to use the surplus in the unemployment insurance account to balance the budget, the Liberals claim that in 1986 the auditor general had already suggested including the unemployment insurance account in the federal government's revenues and expenditures.

What the Liberals failed to say is that since 1990, in other words, after the auditor general made his recommendation, the government has no longer contributed towards the financing of the unemployment insurance account which is now fully funded by employers and workers. And in that case, what justification is there for the federal government to grab a surplus that, in fact, belongs to the workers and their employers and should be used to alleviate the impact of unemployment? The government could reduce premiums and increase unemployment insurance benefits instead.

• (1710)

Not so. The government is using this surplus as a source of revenue to hide the true level of its deficit and its failure to govern responsibly. The unemployment insurance account's surplus belongs to the middle class, to the workers and employers who are the heart and soul of our economy. At a time when the government is cutting assistance to the unemployed, it turns around and attacks those who still have jobs by taking even more of their hard earned money in a desperate attempt to clean up the federal government's finances.

This cowardly trick masquerades as a new tax that the average taxpayer has trouble understanding or even calculating. This looks more like another of the government's clever accounting strategies. Meanwhile, the government talks about openness and balanced budgets while it is doing everything to keep the truth from the taxpayers.

To meet its pseudo–target of $17 billion in 1997–98, the government will make cuts totalling several billion dollars. The finance minister was not coy about his plans to cut old age security in a review already announced in the budget last February. With my party colleagues, I want to make it clear that we strenuously object to such cuts in old age security pensions. We favour other ways to fight the deficit, and I will elaborate later on.

After attacking the middle class which is already overtaxed, the Liberal government is going after those who have worked all their lives to enjoy a well earned rest in the twilight of their lives. Where is the compassion the Minister of Finance crows so much about?

The third part of this failed deficit struggle focuses on the provincial governments. The federal government is reducing its deficit at the cost of increasing provincial deficits. It is not really going at the total deficit, which continues to be borne by the same taxpayers, it is shifting it to each of the provinces.

It is the old policy of dumping on the neighbour, who in turn dumps on his neighbour, and so on. The latest budget cuts in transfers to the provinces will mean a shortfall for the provinces of $2.5 billion in 1996–97 and of $4.5 billion in 1997–98. The provinces will have to look for money elsewhere. Federal policies will force these same provinces to increase their deficit

or to cut services to the public, since the cuts to the transfer payments will reduce their revenues precipitously.

During the referendum campaign, the Liberal big guns tried to link a no victory to political uncertainty and its negative effect on financial markets. They were wrong, since, in his recent testimony before the Standing Committee on Finance, the Governor of the Bank of Canada confirmed there was uncertainty, expressed in the difference in the long term interest rates in the United States and Canada, and said it was related to Canada's excessive debt.

Allow me to quote the Governor of the Bank of Canada, who said the following on October 12, 1994: "Had Canada not had a big debt, the uncertainty over Quebec would have caused concern socially, but not financially for investors. The political uncertainty adds a cause for concern only because of the size of the debt and the deficit". The political uncertainty is due much more to the Liberal government's inability to limit the country's debt than to Quebecers deciding on their political future.

Canada's Prime Minister should not forget that, following the unilateral patriation of the Constitution in 1982, and the scuttling of the Meech Lake accord, Canada's political uncertainty will not be resolved through the passing of a motion vaguely recognizing Quebec as a distinct society, a purely symbolic, even folkloric, recognition without either value or scope.

Everything with this Liberal government smells of improvisation, both the behaviour of the Prime Minister in the final hours of the Quebec referendum campaign and the tabling of the Minister of Finance's financial and economic update on December 6.

By way of conclusion, I would add that the official opposition absolutely does not share the opinion of the Liberal majority on the progress made in deficit reduction.

• (1715)

The official opposition dissociates itself completely from the approach of the Liberal government, which consists in cutting its aid on the backs of the unemployed and dumping its deficit into the backyard of the provinces.

We in the Bloc Quebecois believe that the fight against the deficit must be based on the following conditions. The federal government must: cut the annual budget of the Department of National Defence by an additional $1.5 billion, starting this year; review all tax conventions signed with countries considered to be tax havens; completely review of the tax system and eliminate tax inequities favouring big business and high income taxpayers; establish a real minimum income tax on business, which is intended only for profitable businesses that avoid paying one cent of income tax and, finally, stop funding the Hibernia project and turn its share over to the private sector.

No real and serious attack on the deficit can start without this price being paid.

[*English*]

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Madam Speaker, I take this opportunity to wish the people of Canada the best for the season from the constituents of Windsor—St. Clair. I congratulate my colleagues on the end of the term and thank them for their co–operation over the year. I wish them the very best and of course yourself as well.

Election day 1993 gave us a tremendous majority and with that came a mandate for change. Windsor and Essex County is one area in which there was a tremendous Liberal vote. The ridings of Essex—Windsor, Windsor West, Essex—Kent and my own riding of Windsor—St. Clair voted overwhelmingly Liberal and remain overwhelmingly supportive today of the Liberal government.

That is not to say there is not room here in a prebudget debate for us to set out a little shopping list of things we are concerned about, that there is not room to say the people of Windsor have concerns they want to communicate to the Minister of Finance and to the government.

Windsor is a special place. It is the centre of my universe. It is special because of the way its people relate to one another, try to take care of one another and relate to the rest of the nation. People who do not know the community tend to think of Windsor as a blue collar town, as perhaps a kind of rough, tough and ready border city. They are right, it is, but it is also a very sophisticated and very beautiful community.

Ms. Clancy: Sophisticated?

Ms. Cohen: I hear noise from the member from Halifax—Holt Renfrew. I could put Windsor up against Halifax any time.

Windsor has a tremendous industrial base which has brought us out of the recession ahead of many other communities. The big three in the auto industry, Ford, General Motors and Chrysler, have provided us with a stable base of jobs over the last little while. The products we produce in Windsor, ancillary to and which feed the auto industry, have resulted in a tremendous tool and die industry and a tremendous mould industry which now exports a large percentage of its products.

In addition to the big three, other industries thrive in Windsor. Our newest, the Northern Belle Riverboat Casino, which opened yesterday morning as an extra venue, has been a tremendous boon to us and a real jump start for the diversification of our economy.

Windsor used to be a pass through on the way to the rest of Canada. It is the biggest border crossing in North America. People would nod at Windsor and keep going. Now Windsor is a destination. This means a lot of change in the way we do business, change in the other kinds of attractions that many creative entrepreneurs in Windsor are developing and change in many aspects of the hospitality industry.

The casino is worth hundreds of millions of dollars a year to Ontario and millions to the federal government as well. To put it in perspective, the casino attracts a minimum of 17,000 people a day to our city. Of those 17,000, roughly 80 per cent to 85 per cent come from the United States. That is offshore money coming to Canada, being spent in Canada and employing thousands of well paid union workers, all of whom are paying income tax, property tax, provincial sales tax and GST to government coffers. Funds are being generated for all three levels of government in order to reduce deficits and in order to give all three levels of government another source of revenue.

• (1720)

In terms of the casino and its operation in Windsor, I cannot urge strongly enough upon the Minister of Finance and the government to stay away from the impulse to tax the proceeds of casino gambling. This is foreign money coming into the country. Essentially we have discovered a way to tax Americans. We have to stick with it and keep this money here and keep those people coming to the biggest single tourist destination in North America.

Another industry in Windsor that needs looking at by our government is the distillery industry. Within the city of Windsor, in the township of Maidstone in the riding of Essex—Windsor, and in the town of Amherstburg, also in Essex—Windsor, we have two distilleries. Hiram Walker operates a plant in my riding of Windsor—St. Clair, which used to be called Windsor—Walkerville after Mr. Walker. It operates a storage area in Maidstone township where it is the biggest municipal taxpayer.

The Seagram company operates a distillery in Amherstburg. The beverage alcohol industry produces hundreds of jobs in our communities. Yet this is a commodity which is so heavily taxed by the provincial government and to a certain extent by the federal government that it is not operating any more on a level playing field with other forms of beverage alcohol such as beer and wine.

In addition, because the taxation level is so high, the problem of smuggling has increased in terms of beverage alcohol, particularly in terms of distilled spirits. The federal government needs to take a hard look at this, as do all the provincial governments, in an effort to reduce crime, in an effort to increase revenues from excise tax by actually being able to collect it and to equalizing the playing field among all forms of spirits so they can compete adequately.

Another major employer in the city of Windsor that could use a look at by our government is our university. The University of Windsor is a major employer in our community, again employing hundreds of people. It is a major contributor to the skills level in our community. Our community, fast becoming a place of high tech industry, requires high tech jobs.

The university has worked in partnership with the federal and provincial governments and with private industry to produce research and development facilities and to produce good, well trained employees in order to benefit and promote the economy of not only our community but of the entire country.

Small business in Windsor has always been entrepreneurial. It has been exciting and forward looking. It employs thousands and thousands of people. I urge my colleagues in the government to take a hard look at what we can do for these types of industries, for these types of workplaces, for these creators of jobs.

The city of Windsor, the town of Tecumseh and the village of St. Clair Beach, all of which are in my riding, are successful right now. They are not selfish places. We are not a community that begrudges help to other communities. We are vitally interested in the unity of the country, vitally interested in the well–being of the entire country, every province, every region from sea to sea.

• (1725)

We are not perfect. We need help. We are concerned about social problems, as are other Canadians. I will outline a few of those.

Windsor, like every other community in Canada, needs help with child care. We all need to move forward in this area. Child care needs to be a part of the basic social fabric of the country. Single mothers are out of work. Child care would allow them the opportunity to get training and to get back to work while they know their children are in a safe and healthy environment.

It takes the activity of government to do that. Unfortunately in Ontario we do not have a provincial government which will do that now. However, we do have a forward thinking federal government which made some announcements yesterday that should help this situation. I hope the budget will also stress the need for child care.

Windsor has always had a tremendous record in terms of charity and in terms of charitable giving. Windsor likes to share its good fortune with others. However, Windsor lives in the shadow of the United States. Perhaps the most stunning landscape for visitors to Windsor is the city of Detroit which looms on our horizon.

It is important as we consider the broadcast industry over the next year in Canada to remember that communities like Windsor will suffer if we do not take good care of both private and public broadcasting.

These are a few things which concern my constituents. I am pleased to have had the opportunity to bring these concerns to the attention of the government.

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, I appreciate the opportunity which has been given to all members of the House to speak freely on their concerns about the upcoming budget and to provide advice to the Minister of Finance as he works toward bringing down a budget for 1996–97.

Clearly the concerns of my constituents, like those of people throughout Canada, are on the tremendous debt and deficit and the kind of future we are leaving to our children if we do not deal with the debt and deficit.

Having sat in Parliament since 1988, having listened to budget after budget in which targets were set for deficit reduction and for bringing the debt under control, and having never seen those targets met while the deficit and debt increased, I am pleased to note the success our government has had in meeting and exceeding its targets for deficit reduction.

Some argue we should be going faster and doing more. They advocate in the name of deficit reduction destroying many of the programs which reflect Canadian values, many of the programs we regard as defining ourselves as a nation; our commitment to look after those in need, our commitment to sharing as a society with our fellow citizens and among the different regions of the country.

Canada has never looked only to its own self–interests. We have recognized that a child in a small poor community in Newfoundland has as much right to be educated and fed as a child growing up in a well–off neighbourhood in downtown Toronto.

What we have tried to do and what my constituents continue to urge me to do is balance deficit reduction with societal values. We need to continue to develop a country which is concerned about its human resources as well as its fiscal resources. While we do not want to leave our children a debt that they cannot manage, neither do we want to leave them a meaner society that they will not want to live in. That is the difference between us and some of the measures advocated by others, notably by the Reform Party in this House.

I want to speak about a couple of other issues. The government has been committed to pension reform, to ensuring that in the future we will be able to meet the commitments to pensions for seniors, to pensions working Canadians have built up over their years of work so that they do not enter retirement in poverty. I want to urge the government to take into account, as it does that, the need for fairness and for equity among different groups in society, between men and women and to start correcting some of those economic inequities that have marked western society.

I want to mention the CBC which ties our nation together and gives us a sense of identity and a better understanding of ourselves. My constituents are concerned about the cuts which have been, in their view, diminishing the ability of the CBC to fulfil its mandate to the nation.

Above all I want to refer to the continuing importance my constituents put on the need for jobs, for the kind of economy that will allow young people to use their talents. I also want to refer to the importance of the announcement made in terms of keeping our commitment to child care so that women with children and families with children are not prevented by the interests of their children and the interests of providing good care for their children from participating in the economy.

The Acting Speaker (Mrs. Maheu): Should I ask the member to continue once we have gone on with our other business?

Ms. Catterall: Madam Speaker, I would be pleased to.

The Acting Speaker (Mrs. Maheu): 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.

Ms. Meredith: Madam Speaker, a point of order. I would like to rise to present a bill from the Senate. I believe there is unanimous consent to allow me to present this. If I may, I will continue.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

EVANGELICAL MISSIONARY CHURCH

Ms. Val Meredith (for Mrs. Ablonczy) moved that Bill S–12, an act to amalgamate the Alberta corporation known as the Missionary Church with the Canada corporation known as the Evangelical Missionary Church, Canada West District, be read the second time and, by unanimous consent, referred to a committee of the whole.

She said: Madam Speaker, I rise on this occasion on behalf of my hon. colleague from Calgary North.

The Evangelical Missionary Church, Canada West District is a federal corporation incorporated in 1928 under a private act of the Parliament of Canada.

• (1735)

The Missionary Church is an Alberta corporation incorporated in 1927 by the Government of Alberta.

The purpose of the bill is to merge the two churches into one corporation under the name Evangelical Missionary Church, Canada West District. This merger would amalgamate the two churches as one corporation under the laws of Canada and would set out the power, status and administrative terms of reference of the new corporation. A de facto amalgamation has already taken place and the church is now functioning under the name of the federally incorporated church as provided for in the bill.

The merger of the two corporations would result in both groups combining the resources of the ministries to better meet mutual goals. It would have a positive impact on the members of the churches involved as well as the larger public in which they serve and minister. With this background information I believe the bill can be dealt with expeditiously to permit the amalgamation to go forward immediately.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time, considered in committee, reported, concurred in and, by unanimous consent, read the third time and passed.)

* * *

• (1740)

BILL C–101

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, a point of order.

I understand that some members of the opposition wish to file amendments to Bill C–101.

[*Translation*]

Pursuant to Standing Order 76(1), if this bill is the first order of the day when we return on February 5, it is now too late to move amendments. I can, however, tell the House that the government has no objections to receiving amendments now that would be deemed to have been received yesterday pursuant to Standing Order 76(1).

I think, Madam Speaker, that you will find that this suggestion has the unanimous consent of the House.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*English*]

IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.) moved:

That, in the opinion of this House, the Immigration and Refugee Board should be dismantled and its functions subsumed into the Department of Citizenship and Immigration where refugee claims would be heard and decided by well trained and accountable immigration officers.

He said: Madam Speaker, I stand today to address private members' motion No. 389, calling for the dismantling of the Immigration and Refugee Board, which I will refer to as the IRB.

This motion is my response to more than two years of inaction on the part of the Minister of Citizenship and Immigration, two years where he has skirted issues, avoided questions and refused to take responsibility for the inadequacies which exist within his portfolio. He has brought forward legislation which has juggled the status quo and made minuscule changes. However, he has not addressed the legitimate concerns of Canadians who want the system fixed.

It must be hard for old style political parties and old style ministers to see past the trough of political patronage and grasp the concept of popular opinion. Since the time of Confederation the political machine in Canada has been rife with corruption and a harbour of patronage. The latest Liberal instalment is yet another chapter in this patronage book. Many initiatives are undertaken to accommodate campaign contributors regardless of the cost of public funds or public safety. This minister is out of touch with the average Canadian so I want to take this opportunity to tell him about them.

Canadians are remarkable people. Our selfless commitment to helping those less fortunate has gained us the admiration of the world. Canadians want to provide a safe refuge for those who through no fault of their own are in legitimate danger of persecution. This is our home and we are happy to share it with those in need. However, this hospitality has its limits.

No one likes being taken advantage of and that is exactly what is occurring today. Many of those who have come to our land seeking asylum are fugitives, some are war criminals and others have not been straightforward in disclosing their present situation. Our current system does not allow for a thorough scrutiny resulting in a heightened risk to Canadians.

• (1745)

We did not arrive at this situation overnight. There has been a long stream of inept decision making which has brought our humanitarian efforts to the disastrous state that exists today. Contrary to the routine embellishments of the immigration minister, there is plenty that can be done to rectify the situation. It involves some creativity, hard work and may upset some of those who have been getting fat off the overburdened taxpayer. This criteria alone would cause the minister to run away in fear.

Yet we with the Reform backbone are willing to make the changes in the interests of Canadians.

Let us look at the function and make–up of the IRB. The IRB was created in response to the Supreme Court of Canada 1985 ruling in the case of Singh v. the Minister of Employment and Immigration. The supreme court had ruled in Singh that all refugee claimants were to be granted oral hearings in accordance with standards of fundamental justice and that the prior practice violated those standards. This board was also empowered to hear the appeals of those who had been ordered removed from Canada.

These terms of reference were honourable at the time. In theory, the IRB would be a determining body able to sort out those seeking asylum under the United Nations definition of convention refugees from those simply seeking entrance to Canada. From this point on the trouble starts.

Let me start by addressing the make–up of the board. The IRB which is comprised of approximately 235 amply remunerated appointees is both larger and better paid than is appropriate. This body incurs an operating cost of almost $80 million a year, not including the cost of legal aid and social services which result from its decisions. By dismantling the IRB and subsuming this function into the Department of Citizenship and Immigration, the system would become more accountable, more cost effective, more ethical and would fulfil our humanitarian obligations.

Like all other appointed quasi–judicial bodies, the IRB is autonomous in its decision making practices. The minister of immigration has stated that his only means of recourse for incompetent members is not to renew their appointment. This is not an acceptable form of recall. This process could take as long as five years and falls outside the mandate of an elected government. Those making decisions on behalf of Canadians should be directly accountable for their actions.

Without the direction of the House of Commons, the IRB is pursuing its own mandate regardless of the wants and needs of Canadians. Many of those who land in Canada as refugees should have been considered as immigrants; others should have been denied entry altogether. We as Canadians have an obligation to accommodate only those who qualify as convention refugees under the definition outlined by the United Nations.

The United Nations definition of a convention refugee is one who, because of membership in a particular political or social group, religion, race or nationality cannot return to his or her home country for fear of serious persecution. The UN estimates that as of 1993 there are 20 million displaced persons in the world. Of these, only 60,000 are genuine convention refugees. The UN reports that 25,000 of the 60,000 who were in need of immediate resettlement were settled worldwide. Thirty–five thousand were not settled.

Canada accepted 25,000 refugee claimants in 1993. That number is the same in 1994 and it will even be higher in 1995. Therefore, either we settle every single refugee in the world, or the formula for determining status in Canada is flawed. I believe it is the latter.

We have a clear definition laid down by the UN. Unfortunately, the IRB interpretation of that definition has created considerable uncertainty regarding the determination of refugee status. The average acceptance rate for the industrialized countries has traditionally hovered at about 14 per cent. Canada's acceptance rate is presently hovering between 70 per cent to 90 per cent. Clearly the definition of refugee has undergone a radical expansion in Canada.

• (1750)

Some may argue the merits of having such a high approval rate. However the ramifications of these practices are far reaching and not as noble as one may think. I will address this issue later in my speech.

The IRB has redefined its mandate and practices outside of that in its inception and that of any other practice exercised by signatories of the UN convention. There must be a clear formula for refugee determination. It must be followed in all cases.

Unless a nation has proven itself to be a systematic violator of the terms of the UN treaty, then that nation should be considered a safe third country for the purposes of refugee determination. Right now with this minister of immigration we are accepting refugees from the United States, from England, from Germany and even from Israel. It is absolute absurdity. Yet that is what is happening in this country.

Currently the majority of cases heard by the IRB involve inland claimants. Those are people who enter Canada and seek refugee status. Many of these people have paid their way to Canada and only seek refugee status because of Canada's liberal practices. Canada operates under the legal fiction that there are no safe third countries. As such, virtually all migrants regardless of their previous country of residence are granted refugee hearings upon request.

I believe that it is entirely appropriate and does not contravene the Singh decision to deny claimants refugee hearings who come from safe third countries. This is in accordance with the definition of the UN. This opinion is shared by Canadians but not by the IRB.

The practices of the IRB have caused two streams of immigration into Canada: those who qualify as immigrants and those who slip through as refugees. There are two losers in this scenario: the legitimate refugee who is not granted access to Canada and the taxpayer who is forced to support huge bills which result from appeals, legal aid and social assistance.

These claimants who do not have a legitimate claim to seek asylum in Canada carry a huge price tag. The average cost to the taxpayer per claimant in terms of legal aid, court time and social assistance is between $30,000 and $60,000. Multiplied by the 25,000 refugees accepted annually, and as I pointed out it could be as high as 32,000 this year, the bill is well over $1 billion.

That amount comes close to matching the total budget of the United Nations High Commissioner for Refugees. With that budget the UNHCR manages to care for, settle and repatriate five million displaced persons a year. In other words, Canada spends the same amount of money on a few thousand cases as the UN does on five million. There is definitely a problem here.

The primary goal of Canada's refugee system is to provide humanitarian relief. Therefore a reduced emphasis on inland processing is needed in order to focus a greater reliance on overseas selection. Overseas claimants are confined to refugee camps surrounded by barbed wire and armed soldiers. These people have been denied the most basic of human needs and yet their plight is forsaken by those who abuse the Canadian refugee system.

In addition to the humanitarian gains inherent in this approach, the cost to the taxpayer would be substantially reduced. Contrary to the exorbitant costs attributed to inland claimants, the cost of resettling overseas claimants averages between $2,500 and $3,000 per claimant. This is fair. It is ethical. It is what the IRB was established to do: help those most in need. But the IRB is not doing that.

One may ask: Why dismantle the IRB? Why not just change the mandate? It is not that simple. The IRB is a hotbed for political patronage appointments. Merit is not always a factor, nor is it a motive. The IRB is unresponsive to the interests of Canadians and has become a representative of special interests from the immigration industry, perpetuating a system which drains public moneys for its own gain.

The Liberal government, specifically the immigration minister and the parliamentary secretary have been supporting that patronage system and certainly support the drain. The more the merrier as long as the taxpayer is paying. This is accomplished by broadening the definition of refugee beyond either what the people of Canada or the United Nations for that matter has ever proposed.

• (1755)

In many instances the IRB members have been confused about the terms "persecution" and "prosecution" by allowing fugitives, terrorists, outlaws and political dissidents into Canada under the guise of refugees. Some of these undesirables are believed to channel Canadian social assistance funds back to political regimes which perpetuate violence, genocide and drugs, not the elements which tug at the heart strings of generous Canadians.

Under current guidelines, refugee hearings conducted by the IRB are to be non–confrontational. In other words, board members and staff must take pains to avoid engaging in questioning, introducing evidence or employing a tone that would suggest to the claimant that the onus of providing proof of legitimacy lies with them.

It is a privilege to be granted access to the best country in the world. There needs to be a system of determining refugee status which is thorough, efficient, cost effective and fair. The IRB is not. Hence the fact is that it must be dismantled.

Madam Speaker, you may ask what will serve in its place. I am glad you asked that because no responsible piece of legislation should ever be presented unless it is well researched and includes a plan of implementation. I appreciate being asked that question. I assure you that this motion includes both. I am proposing that the IRB be entirely dismantled and replaced by a body of well trained immigration officers who have the ability individually to determine refugee claims. These officers would receive intensive training in refugee acceptance guidelines.

This measure would establish government policies and procedures which would need to be followed in each and every case. The performance of these officers would be scrutinized and regularly reviewed by departmental officials under the jurisdiction of the deputy minister of citizenship and immigration, thereby implementing the element of accountability which has been absent from the present model.

Some may argue that replacing the IRB with a body of trained immigration officials directly accountable to the deputy minister will lead to political intervention in the determination process. Let me concede that this could be a valid argument. However, Reform proposes that members of the United Nations High Commissioner for Refugees would monitor refugee acceptance guidelines in Canada and would act as a check and balance in the process.

As I mentioned before, our mandate to accept and resettle convention refugees is obligatory as a signatory to the treaty. The UNHCR would be able to inform the minister and Canadians about questionable trends in refugee processing. This intervention would end the pandering of the immigration industry interests which is so prevalent thus far. Immigration officers would be empowered to investigate and question the legitimacy of all claimants in the interests of Canadians.

The decision of verifying and accepting a claim would be rendered by individual hearing officers rather than by an IRB board member. This method of intervention would ensure a full disclosure of information, including that which is incriminating.

Why should we provide asylum for those who have committed crimes in other lands? There are far too many needy claimants in the world to take risks on those with checkered pasts. By empowering the immigration officials with fact finding abilities, there is a greater chance of weeding out those who are not deserving of asylum here in Canada.

Let me take a moment to recap. The IRB is ineffective in determining refugee claimants as described in the United Nations definition of a convention refugee. The IRB has a history of catering to the immigration industry, lining the pockets of immigration lawyers, advocacy groups and organizations with taxpayer dollars.

The IRB has broadened the Canadian definition of a refugee to the point that anyone entering Canada has a nine out of ten shot at being a refugee. Of those who reach Canada, only 1 per cent are ever deported. This is a joke. It undermines the immigration and refugee system in the eyes of Canadians. The IRB has routinely cost the Canadian taxpayer $80 million a year. This is a disgusting display of partisan patronage and it must stop now.

One would think that the Minister of Citizenship and Immigration would embrace a plan such as this. It would restore integrity and accountability to a portfolio where it is severely lacking. It would demonstrate to the Canadian public that he cares about its situation and is responsible with its hard earned tax dollars.

• (1800)

It would portray him as a minister concerned with the safety of Canadians and dedicated to Canada's humanitarian obligations. There is only one problem. He would have to fire all his friends. That is a serious obstacle for the minister and indeed the entire Liberal Party.

The only jobs, jobs, jobs they care about are the patronage jobs. We on this side of the House see things a whole lot differently. We want to make the immigration system effective, accountable and ethical. We want governments to implement programs which serve Canadians without the added expense of patronage jobs. We want the refugee determination process to be conducted by well trained, non–partisan immigration officials.

This is not a Christmas wish list. It is the bare minimum to be expected from a responsible government. Our refugee determination plan would result in the following. The number of persons accepted as convention refugees through the inland determination process would be sharply reduced. The number of self–declared refugees arriving at our ports of entry would be sharply reduced.

The Government of Canada would work closely with the UN to identify and bring to Canada substantial numbers of convention refugees from around the world who are in most need of immediately resettlement. These refugees would be determined by overseas Canadian officers and would undergo medical and criminal checks before being transported to Canada.

This system would restore the ethical characteristics which are part and parcel of the humanitarian efforts. Bureaucrats and their friends would no longer profit from policies meant to aid the politically oppressed.

I am bringing forth a motion which is in the best interests of Canadians by implementing a more effective system of refugee determination without the pomp and circumstance of bloated patronage appointments and pandering to special interest demands.

I urge my colleagues on both sides of the House to listen to their constituents, to use common sense and support this motion.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, it gives me great delight to take part in the debate.

To the hon. member for Calgary Northeast, it appears from his comments he is almost as familiar with his material as he is with the facts. It warms me greatly to think of all those briefing sessions I attended with the hon. member in which clearly he did not get it.

It gives me great pleasure to stand in the House today and do something. It is always good when one gets to do the job one was born for. It is a delight for me to stand in the House today and attempt to cast a little light into the darkness that is the Reform Party policy in the whole area of immigration, in particular with regard to refugees and the Immigration and Refugee Board.

With regard to the board, it interests me that the hon. member and all in his party who can get their heads around the immigration question seem to think everything is supposed to be perfect. Never on this side do we claim it is perfect. We do, however, claim it is a very good system and it works well.

I am not sure, and I would never attempt to get into the so–called minds of my colleagues on the other side, what their actual thoughts are with regard to this.

An hon. member: That is insulting

Ms. Clancy: Someone said that is insulting. It was intended to be. I am glad the member grasped the intent as it was thrown across the floor.

That the IRB is not perfect does not mean we should close the doors and begin experimenting with alternative and very expensive forms of status determination. We do not throw out something without dealing with it. That is what we are doing. We are dealing with it and we are dealing with it well.

Since it was created in 1989, the board has evolved and grown to meet the changing needs of the times. Evolution and growth to meet changing needs of times I realize are things our hon. friends in the third party have a little difficulty with.

• (1805)

The challenge has been to maintain objectivity and efficiency in the system in the face of changing world conditions. We have made a lot of progress and we continue to do so.

Before I talk about what the government has done it might be best to remind my hon. colleague why we have an IRB in the first place. It was not an arbitrary invention. It evolved in response to some very concrete and important needs and concerns. This may come as an overwhelming flash to some of my friends in the House, but evolving in response to concrete needs and concerns is all in the process of good government.

First and foremost there were serious charter concerns raised about how we previously ran our refugee determination system. The charter of rights and freedoms provides that everyone has the right to life, liberty and security of the person, and the right not to be deprived thereof except in accordance with the principles of fundamental justice. This is where we get serious, because those are magnificent words. They are words I am very proud of in the Canadian context.

In 1985 the supreme court ruled that refugee claimants are entitled to a hearing on the merits of their claim in accordance with the charter right to fundamental justice. The court pointed out in the Singh case that claimants had a right to an oral hearing before a decision maker where questions of credibility were at stake.

The opportunity to be heard is only one element of fundamental justice. Another is the importance of ensuring the decision maker is both unbiased and impartial; called rights of natural justice.

An hon. member: And Liberal.

Ms. Clancy: Perhaps the word Liberal might rub off on the member yelling it, although I doubt it. To be Liberal is to be honourable and to care and to be open minded.

While the government has no interest in denying protection to those who need it, there is a requirement for justice to be done and for justice to be seen to be done. This means the possibility that decision makers are seen as simply doing the will of the government of the day must be avoided. That is why the creation of an independent body was seen to be so important. It reinforces both the reality and the perception of impartiality.

There is another compelling reason for having an independent body devoted to refugee determination status. This work calls for particular skills, for particular expertise. It requires a knowledge and understanding of refugee issues.

An hon. member: Which they do not have.

Ms. Clancy: The hon. member, is yelling "which they do not have". I am thinking of some of the members of the IRB whom I have come in contact with at consultations and at meetings and whom I have seen both in my years as a member of Parliament and before. I am thinking of the expertise, the knowledge and the hard work. I am thinking of some of their constituents and of people across the country who work hard. It is really unfortunate that duly elected members of Parliament will say the kinds of things this crew is saying about very good members of the Immigration and Refugee Board. I say shame.

Departmental officials could be trained to do the job but current members are specifically selected because they already have the qualities the job calls for. By having an independent body we can specifically recruit the best people for the job.

I presented the reasons for having an Immigration and Refugee Board but now I would like to turn to recent changes we have made in the refugee system. My early assertion that we are fixing the system is no idle boast. Canada does not turn her back on those in need. That is a tradition we are proud of, a tradition the government is working to preserve.

We are not alone. The world forces of migration affect all countries. It is unfortunate again that the hon. members opposite do not take the opportunity from time to time to travel as members of Parliament, as representatives of Canada, and see why the United Nations has called this the greatest country in the world and to see what can only be described as a horror in certain parts of the world.

• (1810)

If they take that opportunity, as I hope they will in the limited time they have here, they will understand why we are so justly proud in Canada of our immigration and refugee programs.

The forces of world migration affect all countries. European nations are confronted with the same challenges we face. That is why the government is working hand in hand with foreign governments to find ways to address the root causes of migration.

International groups like the international organization on migration are an important vehicle for co–operation and for positive change. However, if we are to continue to be a welcoming country, and we will, a haven in a dark and oppressive world, we need a system that is efficient, fair and affordable.

Over the past few years we have heard concerns over the methods of appointment to the board and to some extent over the quality and consistency of decisions. We also realize the in Canada refugee determination system has to be streamlined to keep pace with world developments. It is with this in mind that the Department of Citizenship and Immigration reviewed its

policies over the last year and the minister introduced important changes.

Planned changes to the Immigration Act reduced the number of people on refugee hearing panels from two to one. The annual savings from this measure alone will be $5.7 million. This money will be targeted for the selection and settlement of refugees from abroad, and that is something of which I am proud.

The minister announced the creation of an advisory committee to assist in the selection of all IRB members. This advisory committee will be chaired by Gordon Fairweather, a man whose name rings with integrity in this country.

These are only a few of the things we have done to change and improve the IRB. In Canada we are proud that we are generous. We are proud we have a full and fair refugee and immigration system.

I would like to say to you, Madam Speaker, to the members of the IRB and, in the spirit of generosity and the season, even to that lovely clack on the other side, and also to my good friend the hon. member for Bourassa, Merry Christmas.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, I am pleased to participate in the debate on Motion M–389, tabled by the hon. member for Calgary Northeast and proposing the dismantling of the Immigration and Refugee Board. The Reform Party member is proposing that the IRB be dismantled and that refugee claims be heard and decided by immigration officers.

Thus, the refugee determination process would become the responsibility of the Department of Citizenship and Immigration. The IRB was established on January 1, 1989, following a 1985 Supreme Court ruling in the Singh matter. The highest court in the country then ruled that all refugee claimants had the right to an impartial hearing according to the principles of natural justice. In other words, a purely administrative hearing process for refugee claimants was found to have violated the standards of natural justice and the Canadian Charter of Rights and Freedoms.

In becoming a signatory to the Geneva Convention on refugees, Canada pledged to protect people in distress and not send them back to a country where their lives or their freedom would be in danger. As regards refugees, the Immigration Act recognizes the need to fulfil Canada's legal obligations on the international scene, and to maintain our traditional humanitarian attitude towards displaced and persecuted persons.

Contrary to what happens in the case of immigrants, when Canada rules that a claimant is indeed a refugee, it does not grant a privilege: it recognizes a right. The refugee determination process must remain separate from the immigration policy. The decision to grant refugee status or to refuse it must be taken by an independent body. The process must be objective and non political. The asylum seeker has the right to be judged by a fair and impartial tribunal.

• (1815)

The rules of natural justice stipulate that those who make the decision must be neutral and impartial. The principle of equity must also be applied. I believe the IRB meets that requirement. However, I have strong criticisms to make regarding this administrative tribunal. I will mention two.

On numerous occasions, the IRB was accused, rightly so, of being a haven for patronage appointments. I myself asked questions in the House regarding that problem. At the request of the Bloc Quebecois, the Standing committee on Citizenship and Immigration reviewed the appointment of several board members. We have found that the Liberal government mimics almost exactly the patronage style of the Conservatives they criticized at the time. This erodes the credibility of the IRB still further.

The other serious problem within the board relates to the length of time it takes for a case to be heard. The process ought to be a rapid one, but I recently visited the Montreal IRB where people have to wait more than six months until their hearing. Last September, in Quebec, close to 11,000 claimants were waiting for their IRB hearing, nearly half of the total 23,000 claimants in all of Canada, not to mention that this past October alone, another 1,200 new claimants were added to that figure in Quebec.

This problem must be solved. The turnaround time must be shortened, and must include a proper hearing and the possibility of a review. The flaw in the present system lies precisely with the appeal process, or rather the lack of it.

In Quebec, there are currently some 16,000 refugee claimants. The total figure is decreasing in Canada, but has risen 40 per cent in Quebec. Quebec has no jurisdiction over refugee matters; it is the federal authorities who control entry and the refugee determination process. It generally takes between 18 and 24 months, although sometimes it may drag on for several years—far too long.

The Canada–Quebec agreement calls for the transfer of federal funds to the province for immigrants and permanent residents. As long as refugee claimants have not been accepted, Quebec foots the bill.

I might add that some 15 per cent of recognized refugees cannot get permanent resident status because they cannot afford

the $975 immigration fee required for each application, or because they cannot obtain official identity papers from their country of origin. In the meantime, they receive help from Quebec social services.

The cost of the various public services provided to refugee claimants by the Government of Quebec is over $200 million just for this current year.

I believe that Ottawa ought to reimburse that amount to Quebec, indeed all costs relating to those seeking asylum, since it is the federal government that controls this process. This is a necessary measure if Quebec is to continue its humanitarian tradition of welcoming refugees.

I add that, in the medium and long term, immigrants and refugees contribute much more than they receive at the start.

I would like to say a few words about the draft agreement on asylum seekers initialled November 27, 1995 by representatives of the American and Canadian governments. The document is causing a lot of controversy among NGOs involved with refugees. It fails to properly protect the rights of those seeking asylum. The United States interprets the definition of refugee more narrowly than does Canada.

I have tabled a motion whereby the Standing Committee on Citizenship and Immigration would hear witnesses and prepare a report on this agreement.

• (1820)

I therefore ask the Government of Canada to delay the final signing of this agreement, planned for February, to enable the committee to conclude its hearings. In any case, the agreement is not supposed to come into effect until the end of 1996.

The Bloc Quebecois opposes the abolition of the IRB. Despite its shortcomings, which we have criticized on a number of occasions, it has an important job to do in connection with the international obligations provided in the Geneva convention on refugees, of which Canada is a signatory. It is the highest administrative tribunal in the country deciding on applications for asylum in Canada.

For all these reasons, we will vote against Motion No. 389.

Finally, I would like to wish a merry Christmas and a happy New Year to all my colleagues in this House and to all members of staff.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, during the past 50 years, Canada has welcomed more than 200,000 refugees.

[*English*]

Mr. Thompson: Madam Speaker, are we not going in rotation?

The Acting Speaker (Mrs. Maheu): We are doing what the list dictates and it is government, opposition, government, opposition.

Mr. Thompson: When it is our motion? Is that correct?

The Acting Speaker (Mrs. Maheu): Returning to debate, the hon. member for Saint–Denis.

[*Translation*]

Mrs. Bakopanos: I am sure we are all proud of that. There are people in this House today who have experienced the privation and dangers to which claimants of refugee status testify they have been exposed. I am referring to persecution, sorrow and fear.

There are places in this world where the mere fact of saying what you think can land you directly in prison, without due process, or even worse.

There are places where the colour of a person's skin or the ethnic origin of his parents may sign his death warrant. Today we live in an age where the terms ethnic cleansing and genocide have unfortunately become part of our vocabulary.

Every day, regional conflicts and political and social confrontations continue to force whole communities to flee their country. The challenges created on a world scale by the increase in massive migrations are still with us, and there will be further challenges.

[*English*]

I am proud to say that in Canada we have chosen to confront these issues head on. It has long been recognized both here and abroad that Canadians care and take their responsibilities as good citizens of the world very seriously. That is why we accept the international obligations we took on when we signed the 1951 Geneva convention relating to the status of refugees and the 1967 protocol.

By signing those agreements we promised to protect those in need, to open our arms and hearts to victims of oppression and misery. A key element of our strategy to deal with refugees was the creation of the immigration refugee board in 1989.

The IRB on behalf of Canadians reflects our commitment to promote a peaceful and humanitarian response to global issues of conflict, mass migration and human rights violations. The board's goals and challenges have remained constant: to identify those in need of Canada's protection and to adjudicate fairly and efficiently all immigration appeals, inquiries and detention reviews. I am happy to say that over the last six years the IRB has been up to the challenge it has has undertaken.

Yes, there have been problems. There have been times when the judgment of the IRB has been questioned. There have been times when the integrity of the system has been placed in doubt. But does that mean we should scrap the whole thing and start again with something new and untested? No. That is the key word these days. No.

This type of haphazard tearing down is inefficient and uncalled for. It is also typical of the style of argument which members opposite advocate. They are always trying to tear down but are never willing to build up. This kind of negativity does not accomplish anything. Instead of saying there are some things we do not like so let us destroy it, why not say there are some very good things about the system, now let us make it better.

• (1825)

Since coming to Ottawa the Reform Party has tried to discredit an immigration program which has made Canada what is it today. They have made a practice of fearmongering and creating the impression that immigrants and refugees come to this country to take advantage of our social programs and wreak havoc on our justice system.

I wish to state for the record that these accusations and insinuations are an insult to the immigrants that have built this country, including myself. Canada's refugee determination system is renowned the world over. Countries ask for our advice based on our experience and leadership in the refugee determination system. However, I suppose the hon. members are not looking at that at all. The hon. member prefers to focus on the sensationalist cases that hit the front pages of the newspapers and serve to justify his reasons for dismantling the IRB.

The government believes in upholding the institutions that distinguish Canada from other countries and we will continue to do just that.

[*Translation*]

There were excellent reasons to justify the existence of the Immigration and Refugee Board.

The Supreme Court of Canada has ruled that the charter of rights and freedoms guarantees refugee claimants the right to a hearing. Consequently, we need an authority that is in a position to hear claims for refugee status in a manner that is fair and balanced.

When it was proposed to create this authority several years ago, Parliament opted for setting up a tribunal that would operate at arm's length from the government. The aim was to put in place a professional body that would not be influenced by political or ideological considerations.

To guarantee the objectivity and impartiality of the hearing process, it is necessary to have a tribunal that is impervious to political partisanship.

Furthermore, appointees to the board must be professionals with the requisite training to grasp all the nuances and particular circumstances that are a factor in refugee cases. We have already said that determining refugee status is one of the most difficult forms of arbitration. This is a task that is emotionally extremely demanding and which requires an overriding concern for justice and fairness on the part of the appointee.

IRB commissioners are selected on the basis of the qualifications they will need to carry out this important and often demanding task. Each commissioner brings to his or her job a different perspective and a special knowledge of the international community.

In the past, the process for appointing commissioners has raised a number of concerns. Aware of this, the government has decided to form an independent advisory committee that will check the qualifications of all aspiring commissioners.

Mr. Gordon Fairweather will chair this advisory committee, whose members are to ensure that only qualified candidates are presented to the government. Furthermore, committee members will have to ensure that they strike a balance between the objective criteria of the commission and increasingly strong public pressures for increased political responsibility.

Another recent event which the Minister of Citizenship and Immigration announced on March 1 this year was the decision to drop one of the two commissioners at hearings for refugee status.

The reduction in the number of employees at the Refugee Status Section, from 175 to 112, will represent annual savings of $5.7 million. The money saved will be used to assist refugees.

These are only a few examples of our government's commitment to improving a system that has already produced good results. Unlike our critics, we believe that past successes should be considered when seeking solutions to today's problems, instead of complaining and taking drastic measures.

[*English*]

In order to maintain its relevance and efficiency, the board continually assesses its performance and examines ways to improve. The IRB has willingly undertaken an ongoing process of critical self–examination of policies, practices and procedures.

• (1830)

Contrary to what the hon. member would like us to believe, the IRB is an accountable organization and strives to improve its operations in order to meet its goals. In recent years the board has concentrated on developing and identifying best practices.

An example of the best practices is the adjudication division's use of video conferencing in certain cases. Another example of this positive development was the introduction of guidelines to examine claims from women refugees fearing gender related persecution. Canada was the first country in the world to undertake such an initiative. This reinforces our image as a world leader in upholding the rights of women.

We have a system which is continually evolving and developing. It is a system which builds on its successes and learns from its mistakes. It is a system which will continue to serve the interests of Canadians and Canada both now and in the years to come. For all those reasons, I cannot support the hon. member's motion.

I would also like to take this opportunity to wish everyone listening to us tonight and all hon. members a merry Christmas and a happy new year.

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.

Is there unanimous consent to proceed with the late show question now?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, on November 20, I asked the Minister of Citizenship and Immigration a question regarding the fate of the family of Romanian refugees Carmen and Alexander Dima, who had been expelled by Canada to the United States, where they filed a proper application to immigrate.

Since April 5, 1995, this family has been awaiting a response in Plattsburgh, where it lives with the Christian Brothers, thanks to the financial support of the parish of Notre–Dame–de–Grâce in Montreal. Before they left, immigration officials had assured the Dimas that their case would be handled with sympathy and promptness.

Eight months later, the Dima couple and their children are still awaiting the response of immigration authorities, even though the Quebec government acted expeditiously by issuing a certificate of selection on June 14. Once again, I wish to denounce vigorously all the red tape and unjustified delays in processing this application.

• (1835)

Because of these endless delays, the Dima family may also be deported from the United States. This red tape is a major problem in the processing of immigrant applications and refugee claims.

The minister and immigration authorities should realize that behind these applications are people, families, children, and that it is cruel to make them wait for months and years.

I ask the minister to show some compassion for refugees during this holiday season. Christmas is a time for compassion and generosity.

If I may, I would also like to mention the case of Victor Regalado, who has been awaiting a response to his refugee claim for 13 years. This is a record. In the meantime, this Salvadorian refugee has studied and worked here and obtained grants from the Canada Council. He is now living with a Canadian citizen, with whom he has two children, and making an important contribution to Quebec society, particularly in the area of film–making. I ask the minister to grant him permanent resident status as soon as possible.

Finally, I would like to give my best wishes to all immigrants and refugees in Quebec and Canada, as well as to the hon. member for Halifax and the Minister of Immigration, for good health, peace and happiness during this holiday season and in the New Year.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, the Dima family, as the hon. member well knows, has co–operated with immigration officials by returning to the United States where they have applied through the normal channels.

It is very important for the hon. member to note that at visa offices in the U.S., 83 per cent of independent applications are completed within 10 months. In particular, in the visa office in New York, 80 per cent of these visas are processed within eight months.

As a matter of course, all legal requirements associated with the processing of an independent application must be met before a visa is issued. This means the necessary medical and security checks. I know the hon. member knows this. In this specific case, some of these requirements are still outstanding. Once all pertinent information has been received, visa officials will be in a position to make a final decision.

I am sure it will be one merry Christmas to all and to all a good night.

The Acting Speaker (Mrs. Maheu): Pursuant to the order made earlier this day, by unanimous consent the motion is deemed withdrawn.

GOVERNMENT ORDERS

[*English*]

FINANCE

INTERIM REPORT OF STANDING COMMITTEE

The House resumed consideration of the motion.

Mr. David Chatters (Athabasca, Ref.): Madam Speaker, I am pleased to join in this prebudget debate. I wish to take a somewhat different direction and discuss a topic of great concern to me in light of today's tabling of the report of the Standing Committee on the Environment and Sustainable Development.

The recommendations contained in the report, if adopted in whole or in part by the finance department, represent the most blatant attack on the energy sector since the national energy program was introduced by the Liberal government of Pierre Trudeau. The national energy program was sold to Canadians as necessary to preserve Canada's energy self–sufficiency, a priority of the Liberal government at that time.

Should the finance minister accept these recommendations, this report would guarantee the dependency of Canada on unreliable imported oil by stifling future energy development.

In Canada we presently have enough developed reserves to supply Canada's energy requirements for only another 12 years. There is currently no other more environmentally friendly source of energy capable of replacing fossil fuel energy.

I support the committee's recommendation to maintain or enhance support for research into more environmentally friendly sources of energy, such as fusion or hydrogen or others, that have the potential to eventually become our primary source of energy. However, experts wiser than I, or even wiser than the members of the environment committee, predict that for at least the next half a century fossil fuels will remain our primary source of energy.

• (1840)

Clearly, if we have any hope of maintaining Canada's self–sufficiency, it makes good sense to do so because of the economic stability it provides. And it is no less environmentally friendly to develop domestic supplies than it is to use imported oil. The only known remaining energy reserve capable of not only replacing declining conventional production but assuring Canada's self–sufficiency is the tar sands of northern Alberta. This is where the recommendations of the environment committee would be catastrophic.

In order to meet this challenge, the now well–known tar sands task force says that the industry must over the next 25 years attract private sector investment of between $20 billion and $25 billion in order to triple the light sweet crude oil production from the tar sands' estimated 1.7 billion barrel reserve. This reserve is similar in size to Saudi Arabia's reserves and is capable of supplying Canada's energy requirements for the next 100 years.

The task force is not, as stated in the report, asking for any additional tax assistance or any direct participation by any government. It is simply requesting from the finance department a generic fiscal regime that will apply to all developers with tax and royalty terms that divide revenues and costs fairly between investors and government and which are stable and predictable. I will not pretend that there is no cost to the taxpayer in the existing and proposed tax regimes. However, when one examines the benefits of this development both to governments and Canadians, the cost is truly insignificant.

The proposed development would add directly to federal, provincial and municipal balances, namely increased taxes and royalties, and revenues to hospitals and government pension plans an astonishing $97 billion and would create 44,000 full time, well paid jobs by the year 2025. These are not the fictitious imaginary jobs the Liberals talk about and the auditor general referred to in his recent report. These are real jobs with almost one million person years over the period of direct, indirect and induced employment. The government constantly talks about job creation. Here lies an opportunity to create 44,000 new jobs without investing anything like the $6 billion infrastructure program.

I take great exception to the painting of the resource industry as an environmental bogeymen. If one cares to examine facts and keep things in reasonable perspective, the industry and the tar sands in particular are good environmental citizens having over the last 20 years made tremendous strides in technology to reduce emissions and improve reclamation techniques.

In spite of the fact that Canada is such a vast country and has one of the world's coldest climates which requires a higher per capita energy demand, we produce only 2 per cent of the world's CO2. The industry is also a full participant in the minister's voluntary CO2 reduction program.

Tar sands industries have demonstrated a strong commitment to achieve environmentally sustainable development and regulatory compliance that incorporates the continuous reduction of environmental imports and the assurance that development today does not impair the resource legacy of future generations, including their access to clean air, water and land. To attack Canada's resource industries to the degree that this report does, considering these industries are currently the major contributors to Canada's GDP and are solely responsible for Canada's recovery from the recent recession is nothing short of irresponsible.

This draconian report also irresponsibly attacks other sectors of our economy such as agriculture, atomic energy and transportation. However, I think the other single most offensive recommendation is the suggested further two cent a litre increase in gasoline tax to be funnelled into a fund to improve the sustainability of Canada's transportation.

We emphatically oppose the use of the government's taxing power to impose behavioural changes upon Canadians because it robs Canadian industry of our natural advantage which allows us to compete in the global marketplace in spite of the great distances we have to transport goods to market.

In conclusion, I urge the finance minister to reject these recommendations from this committee of environmental extremists and instead look at the list of those supporting tar sands development. The list includes the Canadian Chamber of Commerce, the Canadian Association of Urban Municipalities, the Canadian Labour Movement and the Canadian Manufacturers Association. It goes on and on. Clearly the mayor of the city of Hamilton, Mayor Morrow, has more sense than his own member of Parliament.

• (1845)

I urge the minister to reject the recommendations of the environment committee and adopt the recommendations of the task force on tar sands development.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I am happy to have the opportunity to present on behalf of the people of Okanagan—Similkameen—Merritt thoughts, ideas and constructive suggestions for the Liberals before they bring down our federal government's next budget.

My constituents and I feel incredibly lucky to be able to state our case. My constituents and I, indeed everyone in British Columbia and in western Canada, know that the Liberals do not listen to Canadians. Today I have a few short, golden moments to share with the Liberal Party of Canada. I would like the Liberals to sit there like wicked little children on a detention in grade school and listen to me.

My files are full of thoughts, views and opinions Canadians would have me suggest to the Liberals in the prebudget forum. However I only have a few minutes. As I have seen in the last few months since coming to Ottawa to represent the good people of Okanagan—Similkameen—Merritt, the Liberals will not listen to me anyway. They do not listen to anyone.

Yesterday the Liberals should have listened to the Canadian people. We said: "Give Canadians the veto". The Liberals did not listen and gave the separatist government leader the veto.

I know the Minister of National Defence will not listen to what I have to say about his mismanagement of his cabinet portfolio. Since the balmy days of this past summer I have uncovered over $100 million in questionable spending of taxpayers' money by the minister and his senior management team.

The auditor general states in his report that the recommendations made to this minister are not acted upon. The 1994 report of the auditor general declared that DND takes about five years to address something the auditor general says, if DND does anything at all about the auditor general's report.

The Minister of National Defence ignores the auditor general. He sends our troops to Bosnia. The present Liberal government and previous governments have been consistently increasing demands on our Canadian Armed Forces. At the same time they have cut the budget for those very armed forces.

Recent reports from the auditor general and the 12th report of the Standing Committee on Public Accounts point to hundreds of millions of dollars of waste and inefficiency in the Department of National Defence. That is how the Minister of National Defence runs his department.

In my view the most outrageous fact that I have found recently is the Canadian aerospace training project where defence department estimates concerning the cost of training a single student were miscalculated, undervalued by $500,000. This is the kind of thing the Liberal Minister of National Defence has coming across his desk. This information is also on my desk. Canadians know this kind of mismanagement exists and they want something done about it.

I would like to ask the minister, and I will not beg today, to pay some attention to his department, to get hold of his senior management team and find some money to send with the Canadians who are going to Bosnia.

Our military engineers from Chilliwack, British Columbia, need flashlights. They are in the business of defusing mines. They are issued with big, cumbersome flashlights. They use pen lights to view through tiny cracks in very small places to detect mines or see them more clearly in order to defuse them. They need to hold a small flashlight between their teeth. What do they do? They go to Home Hardware, Canadian Tire or Army Surplus and buy with their own money the small, pen size flashlights they need.

• (1850)

When I was in Bosnia the most common thing I heard were kit problems. The soldiers were not complaining. They were having problems because the kit they were issued lacked the things they needed. Meanwhile, the Minister of National Defence tells the House and the Canadian public that our troops have everything they need.

Let us give our soldiers, these brave Canadians going to enforce the peace in Bosnia, the equipment they need. Let us give it to them now. The money exists in the national defence budget. The minister can find the money hidden in wasteful and questionable spending of taxpayers' funds by himself and his senior management team. The cost savings and efficiencies alone would provide that money.

Why does the Minister of National Defence not give each of our soldiers one of his quill tipped, gold letter engraved pens so we can be sure that each one of them can write home? The Minister of National Defence is concerned about special pens for his special friends to sign special multilateral agreements, such as those in NATO, NORAD and the United Nations. At least that is what he told Lowell Green, Ottawa's radio talk show host.

He is not concerned about saving money and getting the best bang for the buck. The Minister of National Defence could get rid of management levels at NDHQ and send that money to the armoury floor or to the training establishment so that our soldiers get the training and the help they need to do their jobs. That is what our Canadian troops deserve.

The bloated bureaucracy at NDHQ is eating up the money before it reaches the armoury floor or the training establishment. There are efficiencies to be found in the Department of National Defence, particularly at NDHQ. The minister knows it. I know it. All Canada knows it.

The Minister of National Defence so mismanages his cabinet portfolio that he will be unable to defend and justify the national defence budget in front of the finance minister. The Minister of National Defence cannot speak up for our soldiers, sailors and air crew. He does not speak their language. He does not know the problems they face. He just does not get it.

Besides, the Liberal finance minister will not listen to him. The finance minister, when he is confronted with a problem, simply cuts federal funding. That is what he will do with the defence department again. Then he will vote in favour of sending Canadian troops to remote parts of the world. That is the Liberal way.

They will forget that the Liberal Prime Minister from Quebec sent Canadian soldiers to Bosnia. They will forget that news reports say it is one of the coldest winters in Bosnia. I wonder if the defence minister has checked to see if our troops have enough sweaters and boots.

I have so much information here that the defence minister could put a stop to the wasteful spending in areas such as information technology, military command and control information systems, program management, project management, operations management, defence information services, infrastructure reductions, infrastructure management and many other areas.

The report of the special commission on the restructuring of the reserves has been published. Using the numbers cited in the report, which are inflated due to the regular force capital and operational costs being allocated to the reserves, there is ample money to employ and train more reserves, not fewer.

The defence white paper had flawed numbers. It declared that $1.028 billion was what the reserve force cost. After the white paper DND said that the reserves cost only about $875 million. The reserves are the most cost effective part of our Canadian Armed Forces. The militia, for instances, consumes only 4 per cent of the defence budget. However it is interesting to note that 20 per cent of the troops sent to the former Yugoslavia were reservists. That is cost effective. The reserves are cost effective. However the Liberals are planning on cutting the reserves.

• (1855)

When the Liberal Minister of National Defence submitted his white paper on defence it was seriously flawed. The numbers were wrong. He was off by hundreds of millions of dollars. The defence minister was advocating cuts based on a document that was seriously inflating the cost of our reserves. Maybe the minister should buy calculators instead of gold plated pens.

The Canadian Armed Forces is a complex organization which would be very difficult to recreate. We have heard Liberal members in the House today say that the present strength of our forces does not need to be maintained. They claim that in our post cold war era, which seems to them to lack a threat, we do not need to maintain our modest military capability.

Are the Liberals quite sure? I would say it would be a pity to be wrong.

Mr. Barry Campbell (St. Paul's, Lib.): Madam Speaker, I am pleased to rise on this occasion to participate in the debate on the interim report of the finance committee following the conclusion of its prebudget consultations.

We will have a final report for the House to address in mid–January. However I wanted to take the opportunity to say a few words about the process of prebudget consultation.

In the past budgets were made for the most part behind closed doors, with a finance minister consulting in private with select groups of individuals and interest groups. Today, the government for the third year in a row has taken the budget making process out from behind closed doors and to Canadians across the country.

Through consultations held in Ottawa and in various centres across the country, Canadians have had a chance to provide their input this year, as they have in years past since we formed the government, about the upcoming federal budget. I want Canadians to know the prebudget consultations are now a permanent feature of the budget making process in the country.

Canadians should expect that every fall the Standing Committee on Finance of the House of Commons will be travelling in the country and available in Ottawa to hear from individual Canadians and groups their views about the budget.

This year most of our consultations were held in the format of a round table, which provides an opportunity for many stakeholders to discuss together the issues we confront in making the tough decisions involved in budget making.

In the past individual groups have appeared before us, made their case and have been disappointed or not, depending on the reaction of the committee and ultimately the finance minister in the budget. Now representatives of various groups appear together and discuss with each other how to resolve problems facing us in a way that is equitable and fair.

It is clear from our consultations that there remains great consensus that the deficit is a problem which must be addressed. The government is doing just that. We are on target to reach our goal of reducing the deficit to 3 per cent of GDP for 1996–97. The minister has announced a further goal beyond that of reaching 2 per cent of GDP in 1997–98.

The direction is right. The goal is correct. We are meeting goals. We are doing something few governments in recent memory have done, setting deficit reduction targets and meeting them. Going in the right direction and meeting those targets go a long way toward restoring our credibility on the vital matters of managing Canada's fiscal challenges.

While there is much agreement about dealing with the deficit, about addressing the deficit, there remains much disagreement about how to meet those targets and how to get there. Regrettably there is a lot of wishful thinking. Many people are searching, not surprisingly, for magic solutions. They want an easy and painless way to deal with the deficit problem. There are no easy and painless ways.

We simply cannot run the deficit and the debt up in one way and pay them off in another. We cannot invent solutions that do not exist and do not work. Voodoo economics does not work. Deciding to separate to deal with the debt and deficit does not work either. We ran up this debt together. We create these deficits together and have been doing so for 20 years. We are responsible together for dealing with this problem.

Some suggest that the problem lies in interest rates. However, high interest rates did not create the debt and are not responsible for the deficit. They did not cause the problem. The problem was caused by spending. Clearly interest rates contribute to the extent that the money borrowed to fund deficits is related to interest rates, but high interest rates did not create the debt or the deficit. They create only a small portion of it. It is spending that did it, spending with deficit financing.

• (1900)

Some have suggested in this discussion about interest that we should just declare lower interest rates. Canada surely must have the power to simply create lower interest rates and that would cut our debt servicing costs. It does not work that way. We have limited control over interest rates and those who buy and hold Canadian debt abroad compare the opportunity presented in holding Canadian debt with opportunities presented abroad. They look very carefully at rates. In any event, we simply do not have the control over them beyond the very short term.

Others have suggested the problem could be solved if only the Bank of Canada would hold more debt. No one is quite sure how that would come about. I suppose one possibility is the bank might print more money and repatriate that debt, pay for it, but at what cost and with what impact on inflation and the value of the dollar? There are no magic solutions and no solutions without impact.

However solutions, nonetheless, are in our control. The question is quite simply which cuts or which revenue measures or what mix of spending cuts and revenue measures will help us attain these vital goals. We will be judged as a nation by how we deal with this challenge, not just whether we eliminate the deficit and go beyond that one day to attack the debt, but the way we do it, the manner in which we do it.

Some in the House have suggested we simply slash and burn; cut everything with deep, dramatic, urgent cuts. In my view that would have an awful impact on the country and perhaps have the opposite effect of what those who propose it would have.

The Reform Party proposed an alternate budget last year which called for just that. Among the few areas where they called for increases in spending would be police and prisons which might be what we would need if we engaged in that kind of slash and burn cutting.

Whatever we do in the nature of cuts has to be done in a measured fashion, having in mind the impact. Nothing can be done without impact and similarly we must bear in mind that cuts have an impact as well. We have seen it only too well as we have travelled the country as the cuts from last year's budgets start to take effect and have an impact. We are seeing in a very real way how this affects Canadians across the country.

We have to be very careful that in meeting the challenge of reducing the deficit we have in mind those in the country who need our help and our assistance and who are least able to deal with these cuts we often talk about in the abstract in the House.

There has been much discussion on the other side of the equation about taxes, that maybe the answers lie entirely in revenue measures, in increasing corporate taxes or taxes on wealthy Canadians or on the banks. We read much about bank profits, and people express outrage. They say surely if banks are making those kinds of profits they can solve our deficit problem.

Let us look at corporate taxes for a moment. We hear many arguments made to the effect that corporate taxes are too low. They certainly could be higher. One could set any rate one wanted but again, everything has an impact. What is the appropriate comparison when looking at corporate taxes? Is it the OECD countries? No, it is the United States, our major trading partner. When we compare corporate taxes in this country with those in the United States we find we are not out of whack, especially when we compare not just corporate income tax rates but all manner of taxes paid by corporations.

If we raise corporate taxes we will have an impact affecting jobs and growth in the economy. Similarly, people assert that we should raise individual taxes, that wealthy Canadians are not paying their fair share. However, the top 10 per cent of tax filers already pay 50 per cent of all income tax. Again, we could suggest raising those rates but it would not be without impact on people who invest in the country.

We talk about banks and their huge profits. Who owns the banks? Fifty per cent of the shares of the major chartered banks are owned by the large pensions in the country, not to mention the interest in banks held by ordinary Canadians through their RRSPs.

• (1905)

When we talk about an attack on profits we are hurting individual Canadians. A better approach with the banks would be perhaps to applaud the profits they make but urge them to do more in local communities, to stimulate lending more to small business and to do more in communities rather than discouraging them, as some would.

If the rich, the well off Canadians, the banks and individuals were doing so well Canadians would see an influx of corporations and individuals from all over the world. Canada would be seen as a tax haven, which it is not.

We will be judged by how we solve the problem. We will solve it in a typical Liberal way with a measured response which all Canadians expect form us.

We look forward to discussing it further when the final report is made public.

Ms. Maria Minna (Beaches—Woodbine, Lib.): Madam Speaker, I want to talk about three main things with respect to the budget.

We have been discussing the deficit for some time. However, I want to talk about the human deficit we also have in Canada. This is an area we talk about but which most of the time is covered over, overpowered by the discussion of our financial deficit.

I believe very strongly that we have accumulated a huge human deficit and if we continue to do so it will be at our peril. The financial deficit will never be overcome in the next couple of years if we do not address the area of the human deficit as well.

In the last couple of years we have addressed the financial deficit and we have also addressed the problem of jobs. We have dealt with youth unemployment, although it is still much too high. We have brought in some very important services and programs in areas of youth services, youth apprenticeships, youth training. We have dealt with small business loans, the Canada Mortgage and Housing Act with respect to expanding the loans ability to start construction and infrastructure, and a great many other things in the area of economics. These are good tools to help in the area of employment.

We still have huge unemployment and people who are under employed, people who work part time, people who work short term. Youth unemployment is still very high. There are three main areas in the budget we must address in a very aggressive way. We must declare war on three areas in Canada: employment and the availability of work for people, child care, and probably the most important which the other two feed into, child poverty.

If we do not address the problem of employment and the issue of child care we will never eradicate the problem of child poverty. The have and the have nots will continue to polarize, the gap will get bigger and the country will face enormous problems.

In the area of child care I commend the minister of HRD who announced $750 million for child care this year which he will be negotiating with the provinces. I encourage the provinces to work with the minister to develop proper program infrastructures.

I challenge the government further. I would like us to reach beyond this year and look into the 21st century. We talk about a brave new world of a highly educated, highly skilled population that will work in all the new highly skilled new industries, new business, new work we hopefully will be creating.

If we do not have well adjusted children with good quality child care we will have serious problems. Child care is not just minding children, it is child development, especially if it is good, regulated child care. It needs to be affordable and accessible right across the country for all children, including special children.

• (1910)

The minister in his announcement said working parents, especially single parents and those trying to move off social assistance back into the workplace, need better access to affordable quality child care. This support is essential if we are to meet our national employment objectives. He went on to say helping to ensure children receive the quality care they need also promotes child development and contributes to the employability of the next generation.

That is quite a statement. If that is true and if we truly believe that, we have to ensure child care is something we work on this year, something negotiated now. We must make a commitment to develop a proper national child care infrastructure program in partnership with the provinces so that children across the country, whether in rural areas, in small towns or in large urban centres, have access to quality, affordable and accessible child care and that the parents have a choice whether they work part time or full time. Otherwise the children will not have the opportunities and the developmental assistance they require.

The United Nations says Canada has one of the worst records of child poverty, second only to the United States, in the OECD countries. That is quite a statement. Normally we like to think of Canada as being well above the United States in most areas. In this case we are only second to the United States.

We know from research and from experts who have told us over and over again that nutrition plays a major role in the development of children from the time of pregnancy to three years. Those are three very important, fundamental years. If good nutrition is not provided to the child, the child will likely have problems. Knowing these things, understanding them and accepting this information, which no one has challenged, we still continue not to address the most important and horrible problem Canada has, the horrendous level of child poverty.

We address things such as youth crime. We talk about it all the time. We strengthen the Young Offenders Act but we do not talk about child poverty, which would prevent some of those things. We talk about a great many things but not about the human deficit we are creating if child care and child poverty are not dealt with.

I would like to see a commitment that the first and foremost priority for the next budget will be to address child poverty. We should immediately introduce an income supplement for the working poor. We should negotiate with the provinces for an enhanced child tax benefit. We must deal directly with the issue of child poverty as well as child care. Those two things are not separate. Poor parents cannot work if they do not have child care. It makes their lives that much more difficult and their children that much poorer.

I believe strongly that if we as a nation cannot make a collective commitment to the children of Canada, and make that our foremost priority, the brave new world of the 21st century we talk about so much will be worse than the world we have today. That generation, our young people of today, will be the adults of that brave new world which will create and develop the economy but they will not be able to take on the challenges they will face.

We have a collective responsibility, just as we had with education. We said everyone should have an education in Canada. It is mandatory to age 16 in most provinces. Why is child care any different? Why is child development any different or any less important? It is more important. A badly prepared and ill nourished child cannot study.

• (1915)

My appeal to the government and to all the members of the House is that in the next year we commit ourselves to making the biggest priority in the budget addressing the issue of work, child care and child poverty. If we do that, I believe strongly that this country will hold together and will meet the next century in a much better way than it is now.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Madam Speaker, I am very pleased to participate in this debate, this evening, as the session ends, on the eve of the Christmas recess. I would like to remind the House that the theme of this debate is prebudget consultation. I have taken a particular interest in this practice over the past year because last year's budget surprised us with the closure of the experimental farm in La Pocatière. This information was hidden in an appendix to the budget. Never had that possibility been raised in any prebudget consultation.

I challenge anyone to find any mention of it in anywhere in the consultation papers that were produced. I told myself: "Next year, I will at least check how this whole thing works, see for myself, to make sure that they would not pull another one like that on us". This year, I had the privilege of travelling with the finance sub-committee across western Canada. I noticed that the consultation process is still not broken in properly. It is not perfect. From one place to the next, many of the lobby groups that we meet tell us pretty much the same thing. National themes are repeated over and over. As worthwhile as they may be, they are not necessarily new to us, as we travel from place to place.

On one occasion however, we had groups come to us with very practical suggestions. There is one in particular that I would like to put forward. A Manitoba foundation for local development explained and justified to us an amendment to the Income Tax Act whereby this foundation could assign funds for the development of local communities, rural communities, in Manitoba. They also suggested that this practice be extended to the rest of Canada. I personally found this suggestion very interesting for

rural areas from coast to coast. I hope that the Government of Canada will act upon the suggestion that came out of this consultation process; it would make our meeting with these people worthwhile.

The other thing I noticed about this process is the fact that the round tables reflect to some extent the make–up of our society. We heard various stakeholders, members of chambers of commerce, as well as representatives from social, community and economic groups. These people did not necessarily share the same values, far from it, but we tried to reconcile them. The challenge, which has yet to be met by the government, is to include that in its budget.

How can it follow up on that consultation process? How can it take concrete action? The government has yet to show that it listens. For example, no one told us that cuts should be made to the UI program. Yet, the reform that was just proposed does include such cuts and they are significant ones. In any case, these are not the cuts suggested by the participants during this consultation exercise.

Following that tour, we made some findings which are quite telling and which should be told to Quebecers and Canadians. The first one is that as soon as you get away from Ottawa and Ontario in general, decentralization is often proposed as a solution. People in Manitoba, Alberta, Quebec and the Maritimes were well aware that, in order to be able to control the debt and the deficit in the future, the decision making power has to be as close to the citizens as possible. That way, we will know on what basis to assess the performance of a government, and we will avoid not knowing exactly where the money comes from, as is somewhat the case with the transfer payments made by the federal government.

• (1920)

The second finding is that this vague sharing of powers generates some mistrust toward provincial governments among Canada's progressive groups. Why? Because provincial governments have a power to levy taxes, which is rather limited, while the federal government has the power to levy taxes and to spend in every sector in Canada.

Consequently, this gives the federal governement a very positive image as a government that put in place all kinds of programs over the years. The problem is that there is only one taxpayer. Whether it is at the municipal, provincial or federal level, there is only one taxpayer.

In recent years, we discovered that the financial reserve was no longer there. We have to find ways to do things more cheaply. The federal government is having trouble being less visible these days. The Prime Minister said it again this week during question period. The reason why tax points will not be transferred, and transfer payments are maintained instead, is to make sure that people know that their cheque comes from the federal government.

I would tell the Prime Minister that I agree that if the federal government redistributes among citizens the taxes they paid, they should know where it comes from. But this is not the best, most practical way to do it. The solution might be what Quebec is proposing, to transfer tax points for which the Quebec government would be held accountable; its performance would be judged on the basis of how wisely it spends this money. Right now, people are having trouble figuring out which level of government is responsible for which part of the budget, and why things are done this way; as a result, they cannot assess governments' efficiency.

This is the second point regarding prebudget consultations which I think is important to stress.

Another point is that I firmly believe that these prebudget consultations should go even further. All stakeholders in the social sector should be gathered in a national forum. After my tour of Canada, last year, with the Committee of Human Resources Development, and after listening to the member for Beaches—Woodbine talking about significant and interesting values, stressing the human aspect and raising the whole issue of how we deal with our children, I believe that it would be important for this kind of discourse to be made in the same forum as people who have a much more economically orientated discourse. Their economic discourse talks about cuts and deals strictly in hard financial terms.

When one is a member of both the finance committee and the human resources development committee, one finds the same dichotomy as here in the House between the Minister of Finance and the Minister of Human Resources Development. Each one protects his own bailiwick, and they never meet on common grounds to establish common objectives for society.

If prebudget consultations are to go further in the future, we will have to find a way to bring these people together in some kind of a national forum.

A forum is just one idea I am proposing here; it could gather all the main stakeholders we can find in Canada, but the condition for a group to be represented would be for it to state clearly what its contribution would be. For example, how it would contribute to reducing the deficit.

To sit at that table, the federal government would say for example: One of the efforts we must make next year will be to cut $1.5 billion in supplementary expenditures or in national defense expenditures.

There is a new exclusive club among banks now, the Billionaire Club. Some banks, and the Royal Bank is first among them, made profits exceeding one billion dollars this year in Canada. Why would they not participate in that national forum and say, for example, that they will create a social job fund and jointly contribute $500 million so that we can meet the needs of poor

children, as someone mentioned earlier. The same would apply to all other sectors of what we call the social economy, an economy which is essential if a society is to function adequately.

We realize that an economy based solely on profit creates two categories of people in our society: those that perform well under the system, and those that have a hard time following and that we try to help survive with what I would call financial valium, compensation funds. Clearly, some people need social assistance in order to continue living, eating, and so on. However, I believe that we should aim higher than that, we should use the human potential of everybody and institute yearly evaluations of the government, or evaluations at the end of the mandate, based not only on financial performance, on the amount of money saved, but also on the way it has managed to use the potential of its citizens.

• (1925)

It would be a different societal choice. However, we would need to have the guts to put such an objective on the table. The role of government is to initiate this kind of debate. I would suggest something like a national forum. It would generate a very interesting discussion.

We clearly agreed on another matter, which is the need to cut spending. Everywhere in Canada, we share the view that the country has been living beyond its means for quite some time. The problem is to cut in the right place. There is a very traditional war of influence going on, whereby the best organized people manage to avoid having their services cut, while the less organized see them reduced year after year.

We saw that in the tabling of the unemployment insurance reform. Clearly, the government is attacking seasonal workers, when it says that a seasonal worker, after three years, after having used more than 100 weeks of UI, will see his benefits reduced by 5 per cent. It is clear in my mind that it is attacking people who are not as well organized in society, while there are very powerful lobbies that manage to pull through much more easily.

I believe that a government has the responsibility to ensure that these things do not happen and we have the responsibility, as parliamentarians, to look at budgetary issues from that perspective.

The Bloc Quebecois has brought forward some aspects that it would be interesting to submit, especially in this prebudget period. One of these is to review all tax conventions that were signed with countries considered as tax havens. There are known examples, such as several hundreds of millions of dollars that escape Canadian tax authorities because of these conventions. This is the time, while we are preparing for the budget, to examine these things.

Another aspect would be to proceed with a comprehensive review of taxation in order to streamline the system and re–establish equity, through eliminating tax inequities that may benefit large businesses and high income taxpayers. We find everywhere, at all the doors we are knocking on in our ridings, the need for people to see that there is equity. For example, there are some 77,000 profitable businesses that did not pay one cent of tax in a given year of the tax cycle. This number must disappear so that a business that makes profits pays taxes.

Prebudget consultations have also brought to light the fact that all taxpayers are not on the same footing, as far as interpreting the Income Tax Act is concerned. Not everybody can afford an accountant or a tax lawyer, but big corporations can, and they find each and every loophole in the legislation. Maybe it is time for a major clean–up in our tax system to prevent such things. I think Quebecers and Canadians are ready for a major overhaul of the tax system.

We should never forget that all of this is meant to give more fairness in our society, more opportunities for all to make use of their skills, experience happiness, earn a decent living for their family, and contribute to society.

If we kept that goal in mind and if we systematically and relentlessly tailored government policies to that goal, we would bring about significant changes. Attitudes would change, and we no longer consider economic viability and social issues as some of our major problems.

• (1930)

I think any society should have criteria by which it can assess both its economic performance and its treatment of people. Mr. Lévesque used to say that a society should be judged by the way it treats its most disadvantaged members. This is a rule we should always keep in mind to be able to know whether we deliver and whether people are proud of what we do as parliamentarians.

Today, they are not. Clearly, there is a cleavage. Our constituency offices receive letters saying: "What are you waiting for? Why do you not do something to make people with a big income and who avoid taxes pay their fair share?"

To conclude, I think it is important to keep this in mind in the choices that have to be made. We should ensure that, with the next set of budget cuts, everybody feels that equity has prevailed and that all taxpayers are doing their share and contributing, so that in the end, nobody will get the impression that some abuse the system while others are shortchanged.

That way, consultations from year to year will be profitable if suggestions are taken into consideration and influence budgetary choices and if, after a few years, all taxpayers are on a more equal footing.

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, I am pleased to speak to the preliminary report of the finance committee on the prebudget hearings that was tabled today.

I am pleased to do so because it deals with the deficit and the debt. This is the major reason that I am standing here as the member of Parliament for Simcoe Centre. I felt so strongly about the issue that three years ago I put my retirement on hold to see if I could win the election, come to Ottawa and hopefully restore some fiscal sanity to this place.

I think back to what my generation has done. We have accumulated this horrendous debt and it is a bill that, unfortunately, we are not going to pay. The bill is going to be left with our children and our grandchildren.

I was not very happy about that and I wanted to go to Ottawa to hopefully do something about it. I am sure this is a feeling that is shared by most of the members in this House, that the debt has to be dealt with. This coming budget will give us an opportunity to deal with it in a very meaningful way.

In 1970, when I moved to Barrie to open up my business, the federal debt was only $20 billion, about half of what the interest payments are on the debt today. As I stand here, the debt is about $570 billion and is heading for $600 billion.

It is the number one issue for all Canadians. I am talking about Canadians both inside and outside of Quebec. It is the reason there is such an oppressive tax burden. It is the reason there is such unacceptable high levels of unemployment and it is a threat to our social programs.

My concern in preparing for the government's third budget is that the target is too low and the pace of achieving a balanced budget is too slow. When I think about that slowness, I recall as a youngster taking band–aid off a sore. If you took it off slowly, it pulled on the hairs on your arm and was very painful. But if you had the courage to take hold of it and rip it off, you got through that pain very quickly and went on to healing. That is very much what we are dealing with here. We have to deal with the pain very quickly and get on with restoring employment and getting our economy moving again.

The finance minister has talked several times in the House about his countdown. He says he is going after the deficit on a 5, 4, 3, 2 per cent, dealing with just tens of billions of dollars. The finance minister does not talk about the count up. He does not talk about the $400 billion, $500 billion, $600 billion of debt. That hardly qualifies as justification for a 5, 4, 3, 2 drop in the deficit while we have the debt increasing by those hundreds of billions of dollars until it is approaching the $600 billion figure.

• (1935)

Also, what he does not mention is the 3, 4, 5 increase of $30 billion, $40 billion and $50 billion in interest payments to service that debt. That $40 billion and $50 billion in interest payments is the killer of jobs. It is the reason taxes are so high. It is a threat to social programs. That $50 billion does not create one job in the country, does not do anything for health care and does not do anything for child poverty. It goes up in smoke. It leaves the country and does not do a thing for Canadians. As a matter of fact it worsens the situation.

I was appalled by a quote reported in the Ottawa *Sun* on December 12 made by the Prime Minister. He made this statement while he was taking part in an electronic town hall meeting. It was an answer concerning our huge debt. The question was raised by a concerned taxpayer who was in the audience. The response was: "Of course we have a debt, but we can pay off our interest. We have no problem at all".

Imagine how that sounds to overburdened taxpayers, to the unemployed who are struggling to make ends meet. The Prime Minister says: "We have no problem at all". That reflects the mindset of the finance minister when he is attempting to deal with our problems.

While I am reading quotes I will read another by Mr. Gordon Gibson. I went to a meeting which was held in Barrie where Mr. Gibson was promoting a book that he had just written entitled *Thirty Million Musketeers*. He said in that meeting that in doing research for his book he projected the government's budgets beyond the two years that the finance minister is currently working under. He said that he knows now why the finance minister only goes two years down the road. It is because when you go beyond that point and look at dealing with $50 billion of interest payments, the problem becomes a staggering one. It would take severe draconian cutting to deal with that kind of interest payment.

There are three ways to balance a budget: increase taxes, have a healthy growth in the economy and reduce spending. Of those three choices the only one we have complete control over is government spending. The first one, taxes, I would suggest that avenue has been cut off. There are no more tax dollars in the pockets of the Canadian people to give to governments. They are taxed to the limit. Therefore, that avenue is not open.

While it is very nice to hope for growth in the economy, we do not control it. Would it not be nice if we projected low growth in the economy and had a pleasant surprise for a change instead of the terrible consequences of it not growing fast enough and in fact our deficit is larger than we projected and unfortunately our debt will grow correspondingly.

Spending is the only thing we have complete control over and something we must address. The government has a spending problem not a revenue problem.

The other concern I have is that the government has an aversion to what I call the what ifs or the realities of the future. That aversion to dealing with the realities was demonstrated very vividly when the Prime Minister failed to deal with the consequences of separation and make sure that the people in Quebec understood the what if you decide to leave this great country of ours. The same scenario could develop here in dealing with the next budget. What if the economy has a downturn? We know a downturn is coming, it is only a matter of when. We are not prepared for that.

• (1940)

What if there is an increase in interest rates that we cannot control? A lot of Canadians think that we control the interest rates. We do not. Because of this huge debt our interest rates are dictated by the people to whom we owe this huge amount of money. What about an increase in interest rates? It has a dramatic effect on our ability to meet the interest payments.

And of course there is the third what if out there which is a very real one: the next referendum. Are we prepared to deal with the consequences of the next referendum?

The third budget which is coming is the most critical of any budget that has been brought into the House. Unfortunately, we wasted the first year. The first budget that was brought down did not deal with the problem. We were told: "Do not worry, be happy. It is not serious".

Precious little was done in the second budget. Largely because of the Reform Party we did move the finance minister to acknowledge that it was a serious problem and that it might be life threatening and something must be done about it. He was beginning to make the association between this high level of government spending and interest rates with job creation. He finally made the connection.

The thing that always amazed me about that second budget was that the finance minister did not take advantage of using a reduction in the pensions of members of Parliament to be the jewel, to show the people of Canada that the government understood the problem and was prepared to deal with it by showing leadership by example. I suggest it was not in the budget because the budget did not deal with realities. Certainly, the changes that were made to the pension plan did not deal with the reality of our financial situation.

I remind the Prime Minister again of the message that came from Moody's prior to the second budget. Moody's told the finance minister in advance of the budget that it had some concerns it wanted to share with him. He could ignore those concerns but Moody's felt obligated to bring them to his attention. Of course those concerns were that the target of 3 per cent GDP was far too low. It was easy and was not a challenge. The second part of the message was that Moody's wanted a date for the zero target. It wanted a commitment from the finance minister that he was serious about the problem and that he would get to a balanced budget.

Moody's is not Liberal. It is not Conservative and it is not Reform. It was doing us a favour by issuing that warning. It was issued to the finance minister to be ignored at his peril. He chose to ignore it in the budget and we were downgraded. The consequences of that downgrade can come home to roost in a very big way.

Let me also share with the House something that was said by the chamber of commerce in a letter signed by the president and chairman of the board. It was written to all members of Parliament and senators, again in advance of the second budget. I quote from the letter: "The finance minister's promise to meet his target of a deficit that is 3 per cent of GDP by 1996–97 is simply not good enough. The deficit must be reduced to zero by 1997–98. The consequences of the government not following through on this are unthinkable". That was as a result of a survey of 6,000 entrepreneurs, businessmen who day after day put their money where their mouths are and create jobs.

Let me also share with you the voices of the people from Simcoe Centre. In my spring 1995 householder I asked: Do you think the finance minister went far enough with cuts in his second budget? There were 1,645 constituents who responded to that questionnaire. Seventy–nine per cent said no, the finance minister did not go far enough. The message is that the people understand the problem and are ready for the consequences of dealing with it.

I am also pleased to say that Reformers did something in the House that has never been done before. We offered the government constructive criticism in the form of our taxpayers' budget. We presented a budget in the House in advance of the finance minister's budget. It outlined by department and in dollars how we could balance the books in three years with no new or increased taxes and by reducing spending only. It can be done.

• (1945)

These were fair cuts. These were cuts which were going to be made right across the board. Of course the cuts cannot be made in any one area, it is not any one area which has contributed to the problem we are facing today.

However, the focus from the government has been that we are going to attack the social programs. That was not the case. We were going to have to get into the social programs because they represent such a huge part of the total spending envelope. Going back to 1970, we were spending $6.6 billion. In 1990 that had ballooned to $60 billion. In 1995 it has gone from $60 billion to $75 billion. I do not recall people lying in the streets in 1970. I do not recall it in 1990. To suggest that by taking $15 billion out of that envelope to return us to the 1990 level will destroy social programs is absurd in the extreme.

I hear about the opposition coming back with slash and burn. That is hyperbole. We are cutting with care, care for the taxpayers, care for the unemployed and care for our social programs. That is the kind of cutting we are doing. The suggestion is they are the only ones with any compassion. There is just as much compassion and just as much heartfelt concern for our citizens on this side of the House.

I hear the doublespeak, lean but not mean. That is nothing but feel good doublespeak. It makes them feel warm and fuzzy because they are doing something but they are not being mean.

I ran a small business and I encountered tough times. I had to be mean. I had to lay off a couple of employees. I felt bad about that, but I thought about the 23 other employees for whom I was responsible. I was concerned about them. I had to be lean and I had to be mean to a couple of people. If I did not do that I would have had to have been a lot meaner to my entire staff facing unemployment.

Two years of tinkering around the edges have been a failure. In 1994 our unemployment level was 9.6 per cent. In November of 1995 it was 9.4 per cent. It has not budged. Millions of Canadians are unemployed and under employed today. So much for jobs, jobs, jobs. For two years it has been a complete and utter failure.

There is little Christmas cheer this year for those millions of people unemployed. Unfortunately unless we make a dramatic change in the thinking of the government there will be little hope for Christmas cheer in 1996. There can be hope if we commit to balancing the budget in the government's term of office. By doing that we can offer some hope for a merrier Christmas next year for those Canadians.

We can restore investor confidence in this great country of ours. If we do that they will come in and create the jobs which we need. Governments do not create jobs; the private sector will create the jobs we so badly need. That is the answer to tax relief. The only way we will get tax relief is if we get people back to work and get the economy moving.

It is the decision of the finance minister. The decision he makes in the next budget will determine whether he will be the grinch in 1996 or Santa Claus. Do not miss the opportunity. Commit in the next budget to a happier holiday season for millions of Canadians in 1996.

Madam Speaker, I wish you and all members of the House a merry Christmas and all the best in the new year.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Madam Speaker, as a member of the Bloc Quebecois, I am very pleased to speak on the interim report of the Standing Committee on Finance.

As you know, it is the Standing Committee on Finance's prerogative to consider the fiscal policy of the government, to make inquiries, to hear witnesses and to draw a number of conclusions. I have here the two–page preliminary report of the committee.

• (1950)

I think Canadians and Quebecers have good reason to be a bit disappointed and concerned. Not that the committee did not do some good work. It met with a lot of Canadians, held forums and seminars, heard witnesses and, as my colleague from Kamouraska—Rivière–du–Loup said earlier, people made some valid representations before the committee. The result however is not all that serious and conclusive.

What does this report really say? It says, first of all, that Canada's major problem is its debt, as evidenced by a quote from the 1995 report of the Auditor General of Canada. After consulting the Canadian population, after touring Canada, the committee came to the very same conclusions as the auditor general did in his report. It may not have been necessary to hold dozens of hearings to come to that conclusion.

The report also says that the Minister of Finance's objective is to see the deficit reduced to $17 billion in 1997–98. According to the minister, this year, the deficit will be reduced to $32 billion, next year, it will go down to $24 billion, and in two years, it will be down to $17 billion. That is basically what the report says.

It also states that the minister will ensure that the deficit is reduced to 2 per cent of GDP in 1997–98. That is what we are told.

First, this report is sinning by omission. When the finance minister talks of a $32 billion deficit this year, I do not think he is telling the whole truth. I was disappointed to see that the Standing Committee on Finance did not pick up on that. It is well known that the deficit would be $5 billion more if the finance minister had not used the UI account surplus to reduce it.

We could add that $5 billion to this year's $32 billion deficit according to the minister, the real deficit would then amount to $37 billion.

I do not want to blame the minister for using this amount. This money comes from Canadians and it might be in the finance minister's interest to use it to reduce the deficit. But the finance minister should be honest about it. First of all, he should say so and, second, he should perhaps give his reasons why.

For example, the minister could tell Canadians how good and fair it is to make workers and employers help reduce the national debt through their excess contributions to the unemployment insurance account.

But the finance minister did not tell them so and the Standing Committee on Finance did not mention it either. This lack of candour may be disturbing for the Canadian taxpayers who are listening to us.

The other thing the minister did not say and the Standing Committee on Finance did not pick up on is that, by cutting social transfers, the government off–loaded its debt onto the provinces.

We know that the federal government transfers money to the provinces for education, health and social services. These transfers have been reduced over the past few years.

• (1955)

So the federal government is obviously spending less money, but Canadian taxpayers and Quebec taxpayers are not seeing their contributions reduced because the provinces have to do the dirty job of raising taxes or cutting spending and reducing services. I think that the minister should have been straightforward and said: "Yes, in the expense estimates and forecasts for the reduction of the deficit over the next few years, I should add that I will give less money for health, education and social services".

To be perfectly honest with Canadians, the Standing Committee on Finance, which has to review the minister's policies, should have mentioned it in its report, but it has not. But this is not the most serious aspect of this whole issue. Neither the Minister of Finance nor the Standing Committee on Finance, which was supposed to review these policies, has put this public debt issue in a global context. The public debt, which is obviously too high and a cause for concern, is often presented in the perspective of our friends from the Reform Party, who think of it as a private debt.

It is often said that we spend too much, just like a private citizen who spends more money than he earns and who should therefore cut his spending and things like that. We should cut social services, we should cut services, we should cut old age pensions, we should cut unemployment insurance benefits. We should cut everything. Then we realize that even if we cut everything, we would probably still have a deficit. If we cut the whole federal public service or all the federal government operating budgets, we would still be in debt.

I think that the committee should have broadened the perspective a little and presented the issue in a global context. We know that public indebtedness is not a problem that is unique to Canada or Quebec; it is a global problem. I will give you some figures. Last year, OECD countries had a total debt of $13,000 billion, whereas the foreign debt of developing countries was $1,900 billion.

You see, whether it is France, England, Germany or the United States, every country is in debt. The United States have a huge debt. It is reported to be as high as $4,900 billion. This debt, like the debt of Canada, increased these last few years, in particular under the administrations of Mr. Reagan and Mr. Bush who were known to support the same ideas as our friends of the Reform Party and others who said: "Let us cut social services and public financial support to the poorest. Let us cut taxes for the rich who will have more money to invest".

Actually, all those slogans that Reform members keep throwing at us week after week were tried in the United States during the Reagan and Bush administrations—they both supported them—and the government debt increased fivefold. It increased from 1 000 billion dollars to about 5 000 billion. Therefore, we can see that the problem is not specific to Canada or Quebec. I am surprised that the minister of Finance and the finance committee did not consider the international dimension of the problem. It is false to say that we will solve the problem simply by saying that we are spending too much on such and such a part of the population and that we must cut these expenditures.

Indeed, the problem exists in Canada and it also does in Quebec. In order to maintain our living standard and our programs and services our governments were forced to go into debt. This was not the case only in Canada and Quebec, but all over the world.

• (2000)

That is what we did and now we face an economic crisis as a result. We realize that at the heart of the economic crisis lies the public debt. It is very complex. I often think that some members put forward simplistic solutions. Yes, measures must be taken. Measures must be taken in Canada, but also elsewhere in the world. This problem must be examined and at least be mentioned in a report such as that of the Standing Committee on Finance. The committee should indicate that it is a Canadian problem, a Quebec problem, but that its causes are also global.

We are aware today of the globalization of financial and economical issues. We hear often enough about the globalization of the economy. Hundreds of billions of dollars are traded every day. I noticed lately that, every day, foreign currency transactions amount to one billion dollars. Every day, hundreds of billions of dollars in Treasury bonds are traded all over the world. We are facing a large world market where there are winners and losers. Some people invest, some trade, buy, sell. Some can in one day flood the markets with hundreds of millions of dollars in order to destabilize economies or currencies.

It is as if governments no longer recognized the responsibility they have to put some order in world trade, in international finances. They let things go. They say we are in an era of globalization, that ultraliberalism is the best thing and that free markets must prevail. But letting markets set the rules means letting the strongest, the most experienced, the best equipped control the markets. I think that, nowadays, governments are evading their responsibilities, whether it is Canada or Quebec or, above all, the United States and countries of the European common market. I think they should do whatever is needed to regulate transactions on international markets in such a way that users will know what to expect within a specific framework.

Governments have always recognized the need to control the markets. Why have they given up now that a new philosophy has been developing for the last 10 or 15 years?

Here is one proof that governments have given up. It is now common practice to check how the governments view their central banks. These days, governments are not held responsible for the central banks' decisions. The banks are independent. Who else could then be responsible for them? The markets, those who have lent money to the government, those who can put up huge sums.

It seems that governments withdrew from money issues. But who is paying the price for that? It is employers or workers, those who need the government's protection to be able to compete on the markets and make the rules.

Today, there are no more rules. The rule is to have no rules.

I think that in the coming years, we will have, at the international level, to take that situation into account, do the necessary analysis, make the necessary representations and the necessary proposals to major international bodies, and most of all explain it to the population. Let us not just say to it: "We spend too much and we have to cut expenses". Let us say to it: "True, spending must be reduced in some areas, and maybe in important ones". However, that reduction in spending must be matched by measures taken by governments at the international level to monitor the market, to regulate it and ensure that we do not become a society where the law of the jungle prevails.

In my view, it would have been important for the finance committee report to reflect the views of people who are able to analyze the international economic system and international finance and who know how that works, so that the finance minister would have been informed—even though he does not seem too keen on it—as would Canadian taxpayers, that the efforts they make will be matched by the Canadian government's efforts at the international level to see to it that markets are properly monitored. Because, if we put our house in order, whether in Quebec or in Canada, and take the necessary measures to get our economy straightened out, the international market's shortcomings should not jeopardize all of our efforts.

I thank you, Madam Speaker, for the opportunity to speak on this issue. I think that next year we will have to ask the Standing Committee on Finance to work extra hard to better explain the fiscal situation of Quebec and Canada to the Minister of Finance.

[*English*]

The Acting Speaker (Mrs. Maheu): Shall I see it as being nine o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): Prior to leaving the Chair and this Chamber I would like to wish all of my colleagues a very happy holiday season and to all Canadians a peaceful, prosperous and united 1996.

Pursuant to order made Tuesday, December 12, 1995, the House stands adjourned until Monday, February 5, 1996 at 11 a.m., pursuant to Standing Orders 28(2) and 24(1).

(The House adjourned at 8.05 p.m.)

HOUSE OF COMMONS

Friday, December 15, 1995

The House met at 12 p.m.

Prayers

[*Translation*]

The Speaker: I wish to inform the House that, pursuant to Standing Order 28(4), I have recalled the House today for the sole purpose of granting royal assent to certain bills.

THE ROYAL ASSENT

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

RIDEAU HALL

December 15, 1995

Mr. Speaker,

I have the honour to inform you that the Hon. John Charles Major, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 15th day of December 1995, at 12.00 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

* * *

MESSAGE FROM THE SENATE

The Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bills: Bill C-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; Bill C-83, an act to amend the Auditor General Act; Bill C-64, an act respecting employment equity; Bill C-107, an act respecting the establishment of the British Columbia Treaty Commission; Bill C-103, an act to amend the Excise Tax Act and the Income Tax Act; Bill C-108, an act to amend the National Housing Act; Bill C-99, an act to amend the Small Business Loans Act; Bill S-12, an act to amalgamate the Alberta corporation known as the Missionary Church with the Canada corporation known as the Evangelical Missionary Church, Canada West District; Bill C-116, 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.

• (1205)

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

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

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

And being returned:

The 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-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—Chapter 42;

Bill C-83, an act to amend the Auditor General Act—Chapter 43;

Bill C-64, an act respecting employment equity—Chapter 44;

Bill C-107, an act respecting the establishment of the British Columbia Treaty Commission—Chapter 45;

Bill C-103, an act to amend the Excise Tax Act and the Income Tax Act—Chapter 46;

Bill C-108, an act to amend the National Housing Act—Chapter 47;

Bill C-99, an act to amend the Small Business Loans Act—Chapter 48;

Bill S-12, an act to amalgamate the Alberta corporation known as the Missionary Church with the Canada corporation known as the Evangelical Missionary Church, Canada West District;

Bill C-116, 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 49.

It being 12.15 p.m., the House stands adjourned until Monday, February 5, 1996 at 11 a.m., pursuant to Standing Orders 28(2) and 24(1).

(The House adjourned at 12.15 p.m.)

HOUSE OF COMMONS

Friday, February 2, 1996

The House met at 3 p.m.

Prayers

The Speaker: I wish to inform the House that, pursuant to Standing Order 28(4), I have recalled the House this day for the sole purpose of granting royal assent to a bill.

[*English*]

THE ROYAL ASSENT

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

Rideau Hall

February 2, 1996

Mr. Speaker:

I have the honour to inform you that the Right Honourable Antonio Lamer, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 2nd day of February, 1996, at 1500, for the purpose of giving royal assent to a bill.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

• (1505)

MESSAGE FROM THE SENATE

The Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill without amendment: Bill C-110, an act respecting constitutional amendments.

* * *

THE ROYAL ASSENT

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.

And being returned:

The 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 bill:

Bill C-110, an act respecting constitutional amendments—Chapter 1, 1996.

It being 3.15 p.m., this House stands adjourned until Monday, February 5, 1996 at 11 a.m., pursuant to Standing Orders 24(1) and 28(2).

(The House adjourned at 3.15 p.m.)

The first session of the 35th Parliament was prorogued by royal proclamation on February 2, 1996.